

# A Human Resources Development Plan *for the United States*

## NATIONAL CENTER ON EDUCATION AND THE ECONOMY

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### Preface

The advent of the Clinton administration creates a unique opportunity for the country to develop a truly national system for the development of its human resources, second to none on the globe. The National Center on Education and the Economy and its predecessor organization, the Carnegie Forum on Education and the Economy, have been elaborating on a national agenda in this arena over the last eight years. Here, we outline a set of recommendations to the incoming Clinton administration in the area of human resources development. It builds directly on the proposals that the President-elect advanced during the campaign. This report is mainly the work of a small group of people with close ties to the National Center: Tim Barnicle, David Barram, Michael Cohen, David Haselkorn, David Hornbeck, Shirley Malcom, Ray Marshall, Susan McGuire, Hilary Pennington, Andy Plattner, Lauren Resnick, David Rockefeller, Jr., Betsy Brown Ruzzi, Robert Schwartz, John Sculley, Marshall Smith, Bill Spring and myself. While all of these people are in general agreement with what follows they may not agree on the details.

--- Marc Tucker

### INTRODUCTION

The great opportunity in front of the country now is to remold the entire American system for human resources development, almost all of the current components of which were put into place before World War II. The natural course is to take each of the ideas that

were advanced in the campaign in the area of education and training and translate them individually into legislative proposals. But that will lead to these programs being grafted onto the present system, not a new system, and the opportunity will have been lost. If this sense of time place is correct, it is essential that the nation's efforts be guided by a consistent vision of what it wants to accomplish in the field of human resources development, a vision that can shape the actions not only of the new administration but of many others over the next few years.

What follows comes in two pieces:

*First, a vision* of the kind of national - not federal - human resources development system the nation could have. This is interwoven with a new approach to governing that should inform that vision. What is essential is that we create a seamless web of opportunities to develop one's skills that literally extends from cradle to grave and is the same system for everyone - young and old, poor and rich, worker and full-time student. It needs to be a system *driven by client needs* (not agency regulations or the needs of the organizations providing the services), *guided by clear standards* that define the stages of the system for the people who progress through it and *regulated on the basis of outcomes* that providers produce for their clients, not inputs into the system.

*Second, a proposed legislative agenda* the new administration and the Congress can use to implement this vision. We propose four *high priority* packages that will enable the federal governments to move quickly.

1. The *first* would be the President-elects proposal for an *apprenticeship* system as the keystone of a strategy for putting a whole new postsecondary training system into place. That system would incorporate his proposal for reforming *postsecondary finance*. It contains what we think is a powerful idea for rolling out and scaling up the whole new human resources system nationwide over the next four years, using the (renamed) apprenticeship idea as the entering wedge.
2. The *second* would combine initiatives on dislocated workers, a rebuilt employment service and a new system of labor market boards in a single *employment security* program, built on the best practices anywhere in the world. This is the backbone of a system for assuring adult workers in our society that they need never again watch with dismay as their jobs disappear and their chances of ever getting a good job again go with them.
3. The *third* would concentrate on the overwhelming problems of our *inner cities*, combining elements of the first and second packages into a special program to greatly raise the work-related skills of people trapped in the core of our great cities.
4. The *fourth* would enable the new administration to take advantage of legislation on which Congress has already been working to advance the *elementary and secondary reform* agenda.

### The Vision

## Strategy Based on Skill Development

*An Economy's* strength is derived from a whole population as skilled as any in the world, working in workplaces organized to take maximum advantage of the skills those people offer.

A seamless system of unending skill development that begins in the home with the very young and continues through school, postsecondary education and the workplace.

## The Schools

Clear National standards of performance in general education (the knowledge and skills that everyone is expected to hold in common) are set to the level of the best achieving nations in the world for students of 16 and public schools are expected to bring all but the most severely handicapped up to that standard. Students get certificates when they meet this standard, allowing them to go on to the next state of their education. Though the standard are set to national benchmarks, they are distinctly American, reflecting our needs and values.

We have a national system of education in which curriculum, pedagogy, examinations and teacher education and licensure systems are all linked to the national standards, but which provides for substantial variation among states, districts and schools on these matters. This new system of linked standards, curriculum and pedagogy will abandon the American tracking system, combining high academic standards with the ability to apply what one knows to be real world problems and qualifying all students for a lifetime of learning in the postsecondary system and at work.

We have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public systems are reorganized to free up school professionals to make a key decision about how to use all the available resources to bring students up to the standards. Most of the federal, state, district and union rules and regulations that now restrict school professionals' ability to make these decisions are swept away, though strong-measures are in place to make sure that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected to put in a full year, to spend whatever time it takes to do the job and to be fully accountable for the results of their work. The federal, state and local governments provide the time, staff development resources, technology and other support needed for them to do the job. Nothing less than a wholly restructured school system can possibly bring all of our students up to a standard only a few have been expected to meet up to now.

There is an aggressive program of public choice in our schools.

All students are guaranteed that they will have a fair shot at reaching the standards, that is, that whether they make it or not depends only on the effort they are willing to make. a determined effort on the part of the federal government will be required on this point. School delivery standards may be required. If so, these standards should have the same status in the system as the new student performance standards, but they should be fashioned so as not to constitute a new bureaucratic nightmare.

## Postsecondary Education and Work Skills

All students who meet the new national standards for general education are entitled to the equivalent of three more years of free additional education. We would have the federal and state governments match funds to guarantee one free year of college education to everyone who meets the new national standards for general education (the amount of this award would be set at a stipulated maximum so as to avoid runaway charges for college tuition). So a student who meets the standard at 16 would be entitled to two free years of high school and one of college. Loans, which can be forgiven for public service, are available for additional education beyond that. National standards for sub-baccalaureate college-level professional and technical degrees and certificates will be established with the participation of employers, labor and higher education. These programs will include both academic study and structured on-the-job training. Eighty percent or more of American high school graduates will be expected to get some form of college degree, though most of them less than a baccalaureate. These new professional and technical certificates and degrees typically are won within three years of acquiring the general education certificate, so, for most postsecondary students, college will be free. These professional and technical degree programs will be designed to link to programs leading to the baccalaureate degree and higher degrees. There will be no dead ends in this system. Everyone who meets the general education standard will be able to go to some form of college, being able to borrow all the money they need to do so, beyond the first free year.

*This idea of post-secondary professional and technical certificates capture all of the essentials of the apprenticeship idea, while offering none of its drawbacks (see below). But is also makes it clear that those engaged in apprentice-style programs are getting more than narrow training; they are continuing their education for other purposes as well, and building a base for more education later. Clearly, this idea redefines college. Proprietary schools, employers, and community-based organizations will want to offer these programs, as well as community colleges and four-year institutions, but these new entrants will have to be accredited if they are to qualify to offer the programs.*

Employers are not required to provide slots for the structured on-the-job training component of the program but many do so, because they get first access to the most accomplished graduates of these programs and they can use these programs to introduce the trainees to their own values and way of doing things.

The system of skill standards for technical and professional degrees is the same for students just coming out of high school and for adults in the workforce. It is progressive, in the sense that certificates and degrees for the entry level jobs lead to further professional and technical education programs at higher levels. Just as in the case of the system for the schools, though the standards are the same everywhere (leading to maximum mobility for students), the curricula can vary widely and programs can be custom designed to fit the needs of full-time and part-time students,

as long as the programs in which they are enrolled are designed to lead to certificates and degrees defined by the system of professional and technical standards.

The national system of professional and technical standards is designed much like the multi state bar, which provides a national core around which the states can specify additional standards that meet their unique needs. There are national standards and exams for no more than 20 broad occupational areas, each of which can lead to many occupations in a number of related industries. Students who qualify in any one of these areas have the broad skills required by a whole family of occupations, and most are sufficiently skilled to enter the workforce immediately, with further occupation-specific skills provided by their union or employer. Industry and occupational groups can voluntarily create standards building on these broad standards for their own needs, as can the states. Students entering the system are first introduced to very broad occupational groups, narrowing over time to concentrate on acquiring the skills needed for a cluster of occupations. This modular system provides for the initiative of particular states and industries while at the same time providing for mobility across states and occupations by reducing the time and cost entailed in moving from one occupation to another. In this way, a balance is established between the kinds of generic skills needed to function effectively in high performance work organizations and the skills needed to continue learning quickly and well through a lifetime of work, on the one hand, and the specific skills needed to perform at a high level in a particular occupation on the other.

Institutions receiving grant and loan funds under this system are required to provide information to the public and to government agencies in a uniform format. This information covers enrollment by program, costs and success rates for students of different backgrounds and characteristics, and career outcomes or those students, thereby enabling students to make informed choices among institutions based on cost and performance. Loan defaults are reduced to a level close to zero, both because programs that do not deliver what they promise are not selected by prospective students and because the new postsecondary loan system uses the IRS to collect what is owed from salaries and wages as they are earned.

## Education and Training for Employed and Unemployed Adults

The national system of skills standards establishes the basis for the development of a coherent, unified training system. That system can be accessed by students coming out of high school, employed adults who want to improve their prospects, unemployed adults who are dislocated and others who lack the basic skills required to get out of poverty. But it is all the same system. There are no longer any parts of it that are exclusively for the disadvantaged, though special measures are taken to make sure that the disadvantaged are served. It is a system for everyone, just as all the parts of the system already described are for everyone. So the people who take advantage of this system are not marked by it as damaged goods. The skills they acquire are world class, clear and defined in part by the employers who will make decisions about hiring and advancement.

The new general education standard becomes the target for all basic education programs both for school dropouts and adults. Achieving

that standard is the prerequisite for enrollment in all professional and technical degree programs. A wide range of agencies and institutions offer programs leading to the general education certificate, including high schools, dropout recovery centers, adult education centers, community colleges, prisons and employers. These programs are tailored to the needs of the people who enroll in them. All the programs receiving government grants or loan funds that come with dropouts an adults for enrollment in programs preparing students to meet the general education standard must release the same kind of data required of postsecondary institutions on enrollment, program description, cost and success rate. Reports are produced for each institution and for the system as a whole showing different success rates for each major demographic group.

The system is funded in four different ways, all providing access to the same or a similar set of services. School dropouts below the age of 21 are entitled to the same amount of funding from the same sources that they would have been entitled to had they stayed in school. Dislocated workers are funded by the federal government through the federal programs for that purpose and by state unemployment insurance funds. The chronically unemployed are funded by federal and state funds established for that purpose. Employed people can access the system through the requirement that their employers spend an amount equal to 1 and 1/2 percent of their salary and wage bill on training leading to national skill certification. People in prison could get reductions in their sentences by meeting the general education standard in a program provided by the prison system. Any of these groups can also use the balances in their grant entitlement or their access to the student loan fund.

## Labor Market Systems

The Employment Service is greatly upgraded, and separated from the Unemployment Insurance Fund. All available front-line jobs - whether public or private - must be listed in it by law [this provision must be carefully designed to make sure that employers will not be subject to employment suits based on the data produced by this system - if they are subject to such suits, they will not participate]. All trainees in the system looking for work are entitled to be listed in it without a fee. So it is no longer a system just for the poor and unskilled, but for everyone. The system is fully computerized. It lists not only a job openings and job seekers (with their qualifications) but also all the institutions in the labor market area offering programs leading to the general education certificate and those offering programs leading to the professional and technical college degrees and certificates, along with all the relevant data about the costs, characteristics and performance of those programs - for everyone and for special populations. Counselors are available to any citizen to help them assess their needs, plan a program and finance it, and, once they are trained, to locate available jobs.

A system of labor market boards is established at the local, state and federal levels to coordinate the systems for job training, postsecondary professional and technical education, adult basic education, job matching and counseling. The rebuilt Employment Service is supervised by these boards. The system's clients no longer have to go from agency to agency filling out separate applications for separate programs. It is all

taken care of at the local labor market board office by one counselor accessing the integrated computer-based program, which makes it possible for the counselor to determine eligibility for all relevant programs at once, plan a program with the client and assemble the necessary funding from all the available sources. The same system will enable counselor and client to array all the relevant program providers side by side, assess their relative costs and performance records and determine which providers are best able to meet the client's needs based on performance.

## Some Common Features

Throughout, the object is to have a performance-and-client-oriented system and to encourage local creativity and responsibility by getting local people to commit to high goals and organize to achieve them, sweeping away as much of the rules, regulations and bureaucracy that are in their way as possible, provided that they are making real progress against their goals. For this to work, the standards at every level of the system have to be clear; every client has to know what they have to accomplish in order to get what they want out of the system. The service providers have to be supported in the task of getting their clients to the finish line and rewarded when they are making real progress toward that goal. We would sweep away means-tested programs, because they stigmatize their recipients and alienate the public, replacing them with programs that are for everyone, but also work for the disadvantaged. We would replace rules defining inputs with rules defining outcomes and the rewards for achieving them. This means, among other things, permitting local people to combine many federal programs as they see fit, provided that the intended beneficiaries are progressing toward the right outcomes. We would make individuals, their families and whole communities the unit of service, not agencies, programs and projects. Wherever possible, we would have service providers compete with one another for funds that come with the client, in an environment in which the client has good information about the cost and performance record of the competing providers. Dealing with public agencies - whether they are schools or the employment service - should be more like dealing with Federal Express than with the old Post Office.

## An Agenda for the Federal Government

Government at every level has an enormous potential for affecting a nation's human capacity - from the resources it provides to nourish pregnant women to the incentives it provides to employers to invest in the skill development of their employees. In this section we concentrate on the role the federal government can play and largely restrict our field of vision to elementary and secondary education, job training and labor market policy.

Everything that follows is cast in the frame of strategies for bringing the new system described in the preceding section into being, not as a pilot program, not as a few demonstrations to be swept aside in another administration, but everywhere, as the new way of doing business.

The preceding section presented a vision of the system we have in mind chronologically from the point of view of an individual served by it. Here we reverse the order, starting with a

description of program components designed to serve adults, and working our way down to the very young.

## High Skills for Economic Competitiveness Program Developing System Standards

Create a National Board for Professional and technical Standards. The Board is a private not-for-profit chartered by Congress. Its charter specifies broad membership composed of leading figures from higher education, business, labor, government and advocacy groups. The Board can receive appropriated funds from Congress, private foundations, individuals and corporations. Neither Congress nor the executive branch can dictate the standard set by the Board. But the Board is required to report annually to the President and the Congress in order to provide for public accountability. It is also directed to work collaboratively with the states and cities involved in the Collaborative Design and Development Program (see below) in the development of the standards.

Charter specifies that the National Board will set broad performance standards (not time-in-the-seat standards or course standards) for postsecondary Professional and Technical certificates and degrees at the sub-baccalaureate level, in not more than 20 areas and develops performance examinations for each. The Board is required to set broad standards of the kind described in the vision statement above, and is not permitted to simply reify the narrow standards that characterize many occupations now (more than 2,000 standards currently exist, many for licensed occupations - these are not the kinds of standards we have in mind). It also specifies that the programs leading to these certificates and degrees will combine time in the classroom with time at the work-site in structured on-the-job training. The Board is responsible for administering the exam system and continually updating the standards and exams. The standards assume the existence of prerequisite world class general education standards set by the National Board for Student Achievement Standards, described below. The new standards and exams are meant to be supplemented for particular occupations by the states and by individual industries and occupational groups, with support from the National Board.

Legislation creating the Board is sent to the Congress in the first six months of the administration, imposing a deadline for creating the standards and the exams within three years of passage of the legislation.

### Commentary:

The proposal reframes the Clinton apprenticeship proposal as a college program and establishes a mechanism for setting the standard for the program. The unions are very concerned that the new apprenticeships will be confused with the established registered apprenticeships. Focus groups conducted by Jobs for the Future and others show

that parents everywhere want their kids to go to college, not be shunted aside into a non-college apprenticeship vocational program. By requiring these programs to be a combination of classroom instruction and structured OJT, and creating a standard-setting board that includes employers and labor, all the objectives of the apprenticeship idea are achieved, while at the same time assuring much broader support for the idea, as well as a guarantee that the program will not become too narrowly focused on particular occupations. It also ties the Clinton apprenticeship idea to the Clinton college funding proposal in a seamless web.

Charging the Board with creating not more than 20 certificate or degree categories establishes a balance between the need to create one national system on the one hand with the need to avoid creating a cumbersome and rigid national bureaucracy on the other. This approach provides lots of latitude for individual industry groups, professional groups and state authorities to establish their own standards, while at the same time avoiding the chaos that would surely result if they were the only source of standards. The bill establishing the Board should also authorize the executive branch to make grants to industry groups, professional societies, occupational groups and states to develop their own standards and exams. Our assumption is that the system we are proposing will be managed so as to encourage the states to combine the last two years of high school and the first two years of community college into three year programs leading to college degrees and certificates. Proprietary institutions, employers and community-based organizations could also offer these programs, but they would have to be accredited to offer these college-level programs. Eventually, students getting their general education certificates might go directly to community college or to another form of college, but the new system should not require that.

## Collaborative Design and Development Program

The object is to create a single comprehensive system for professional and technical education that meets the requirements of everyone from high school students to skilled dislocated workers, from the hard core unemployed to employed adults who want to improve their prospects. Creating such a system means sweeping aside countless programs, building new ones, combining funding authorities, changing deeply embedded institutional structures, and so on. The question is how to get from

where we are to where we want to be. Trying to ram it down everyone's throat would engender overwhelming opposition. Our idea is to draft legislation that would offer an opportunity for those states - and selected large cities - that are excited about this set of ideas to come forward and join with each other and with the federal government in an alliance to do the necessary design work and actually deliver the needed services on a fast track. The legislation would require the executive branch to establish a competitive grant program for these states and cities and to engage a group of organizations to offer technical assistance to the expanding set of states and cities engaged in designing and implementing the new system. This is not the usual large scale experiment nor is it a demonstration program, but a highly regarded precedent exists for this approach in the National Science Foundation's SSI program. As soon as the first set of states is engaged, another set would be invited to participate, until most or all of the states are involved. It is a collaborative design, roll out and scale-up program. It is intended to parallel the work of the National Board for Professional and Technical Standards, so that the states and cities (and all their partners) would be able to implement the new standards as soon as they become available, although they would be delivering services on a large scale before that happened. Thus, major parts of the whole system would be in operation in a majority of the states within three years from passage of the initial legislation. Inclusion of selected large cities in this design is not an afterthought. We believe that what we are proposing here for the cities is the necessary complement to a large scale job-creation program for the cities. Skill development will not work if there are no jobs, but job development will not work without a determined effort to improve the skills of city residents. This is the skill development component.

## Participants

- Volunteer states, counterpart initiative for cities.
- 15 states, 15 cities selected to begin in first year, 15 more in each successive year.
- 5 year grants (on the order of \$20 million per year to each state, lower amounts to the cities) given to each, with specific goals to be achieved by the third year, including program elements in place (e.g. upgraded employment service), number of people enrolled in new professions and technical programs, and so on.

## Criteria for Selection

- A core set of High Performance Work Organization firms willing to participate in standard setting and to offer training slots and mentors.
- Strategies for enriching existing cooped, tech prep, other programs to meet the criteria.
- Commitment to implementing new general education standard in legislation
- Commitment to implementing the new Technical and Professional skills standards for college.
- Commitment to developing an outcome and performance based system for human resources development.

- Commitment to new role for employment service.
- Commitment to join with others in national design and implementation activity.

## Clients

Young adults entering workforce.

Dislocated Workers.

Long term unemployed.

Employed who want to upgrade skills.

## Program Components

- Institute own version of state and local labor market boards. Local labor market boards to involve leading employers, labor representatives, educators and advocacy group leads in running the redesigned employment service, running intake system for all clients, counseling all clients, maintaining the information system that will make the vendor market efficient and organizing employers to provide job experience and training slots for school youth and adults trainees.
- Rebuild employment service as a primary function of labor market boards.
- Develop programs to bring dropouts and illiterate up to general education certificate standard. Organize local alternative providers and firms to provide alternative education, counseling, job experience and placement services to these clients.
- Develop programs for dislocated workers and hard-core unemployed (see below).
- Develop city-and state-wide programs to combine the last two years of high school and the first two years of college into three year programs after acquisition of the general education certificate to culminate in college certificates and degrees. These programs should combine academics and structured on-the-job training.
- Develop uniform reporting system for providers, requiring them to provide information in that format on characteristics of clients, their success rates by program, and the cost of those programs. Develop computer-based system for combining this data at local labor market board offices with employment data from the state so that counselors and clients can look at programs offered by colleges and other vendors in terms of cost, client characteristics, program design, and outcomes, including subsequent employment histories for graduates.
- Design all programs around the forthcoming general education: standards and the standards to be developed by the National Board for Professional and Technical Standards.
- Create statewide program of technical assistance to firms on high performance work organization and to help them develop quality programs for participants in Technical and Professional certificate and degree programs (it is essential that these programs be high quality, nonbureaucratic and voluntary for the firms).

- Participate with other states, and the national technical assistance program in the national alliance effort to exchange information and assistance among all participants.

## National Technical Assistance to Participants

Executive branch authorized to compete opportunity to provide the following services(probably using a Request For Qualifications):

State-of-the art assistance to the states and cities related to the principal program components (e.g.; work reorganization, training, basic literacy, funding systems, apprenticeship systems, large scale data management systems, training systems for the human resources professionals who make the whole system work, etc.). A number of organizations would be funded. Each would be expected to provide information and direct assistance to the states and cities involved, and to coordinate their efforts with one another.

It is essential that the technical assistance function include a major professional development component to make sure the key people in the states and cities upon whom success depends have the resources available to develop the high skills required. Some of the funds for this function should be provided directly to the states and cities, some to the technical assistance agency.

Coordination of the design and implementation activities of the whole consortium, documentation results, preparation or reports, etc. One organization would be funded to perform this function.

## Dislocated Workers Program

New legislation would permit combining all dislocated workers programs at redesigned employment service office. Clients would, in effect, receive vouchers for education and training in amounts determined by the benefits for which they qualify. Employment service case managers would qualify client worker for benefits for which they qualify.

Employment service case managers would qualify client worker for benefits and assist the client in the selection of education and training programs offered by provider institutions. Any provider institutions that receive funds derived from dislocated worker programs are required to provide information on costs and performance of programs in uniform format described above. This consolidated and voucherized dislocated workers program would operate nationwide. It would be integrated with the Collaborative Design and Development Program in those states and cities in which that program functioned. It would be built around the general education certificate and the Professional and Technical Certificate Degree Program as soon as those standards were in place. In this way, programs for dislocated workers would be progressively and fully integrated with the rest of the national education and training system.

## Levy-Grant System

This is the part of the system that provides funds for currently employed people to improve their skills. Ideally, it

should specifically provide means whereby front-line workers can earn their general education credential (if they do not already have one) and acquire Professional and Technical Certificates and degrees in fields of their choosing.

Everything we have heard indicates virtually universal opposition in the employer community to the proposal for a 1 and 1/2 percent levy on employers for training to support the costs associated with employed workers gaining these new skills, whatever the levy is called. The President may choose to press forward with this proposal never the less. Alternatively, he could take a leaf out of the German book. One of the most important reasons that large German employers offer apprenticeship slots to German youngsters is that they fear, with good reason, that if they don't volunteer to do so, the law will require it. The President could gather a group of leading executives and business organization leaders, and tell them straight out that he will hold back on submitting legislation to require a training levy, provided that they commit themselves to a drive to get employers to get their average expenditures on front-line employee training up to two percent of front-line employee salaries and wage within two years. If they have not done so within that time, then he will expect their support when he submits legislation requiring the training levy. He could do the same thing with respect to slots for structured on-the-job training.

## College Loan/Public Service Program

This proposal was a keystone of the Clinton campaign. Because we assumed that it is being designed by others, we did not focus on its details. From everything we know about it, however, it is entirely compatible with the rest of what is proposed here. What is, of course, especially relevant here, is that our reconceptualization of the apprenticeship proposal as a college-level education program, combined with our proposal that everyone who gets the general education credential be entitled to a free year of higher education (combined federal and state funds) will have a decided impact on the calculations of cost for the college loan/public service program.

## Assistance for Dropouts and the Long-Term Unemployed

The problem of upgrading the skills of high school dropouts and the adult hard core unemployed is especially difficult. It is also at the heart of the problem of our inner cities. All the evidence indicates that what is needed is something with all the important characteristics of a non-residential Job Corps-like program. The problem with the Job Corps is that it is operated directly by the federal government and is therefore not embedded at all in the infrastructure of local communities. The way to solve this problem is to create a new urban program that is locally - not federally - organized and administered but which must operate in a way that uses something like the federal standards for contracting for Job Corps services. In this way, local employers, neighborhood organizations and other local service providers could meet the need, but requiring local authorities to use the federal standards would assure high quality results. Programs for high school dropouts and the hard-core unemployed would probably have to be separately organized, though the services provided would be much the same. Federal funds would be offered on a matching basis with state and local funds for this purpose. These programs should be

fully integrated with the revitalized employment service. The local labor market board would be the local authority responsible for receiving the funds and contracting with providers for the services. It would provide diagnostic placement and testing services. We would eliminate the targeted jobs credit and use the money now spent on that program to finance these operations. Funds can also be used from the JOBS program in the welfare reform act. This will not be sufficient, however, because there is currently no federal money available to meet the needs of hard-core unemployed males (mostly Black) and so new monies will have to be appropriated for that purpose.

## Elementary and Secondary Education Program

The situation with respect to elementary and secondary education is very different from adult education and training. In the latter case, a new vision and a whole new structure is required. In the former, there is increasing acceptance of a new vision and structure among the public at large, within the relevant professional groups and in Congress. There is also a lot of existing activity on which to build. So our recommendations here are rather more terse than in the case of adult education and training.

The general approach here is parallel to the approach described for the High Skills for Economic Competitiveness Program. Here, too, we start with standards. And we propose a collaborative program which the states and with the major cities (adding, in this case, areas suffering from rural poverty) that provides an opportunity for those that wish to do so to participate in a staged, voluntary and progressive implementation of the new system. The parallelism is deliberate. Some states and cities may wish to participate in both programs, developing the whole system at once, others to only one. Much of what we propose can be accomplished through revisions to the conference report on S2 and HR4323, recently defeated on a cloture vote in the Congress. Solid majorities were behind the legislation in both houses of Congress.

## Standard Setting

Legislation to accelerate the process of national standard setting in education was contained in the conference report on S2 and HR 4323. The new administration should support the early introduction of this legislation to create a National Board for Student Achievement Standards. The Board should be established as an independent not-for-profit organization chartered by the United States Congress. The charter should establish a self-perpetuating board of trustees for the Board that is broadly representative of the American

people, including representation of general government at all levels, education, employers, labor, child advocacy groups and the general public. It should be eligible to receive funds from private foundations, government (including funds directly appropriated by the Congress), corporations and individuals. It should be charged with coming to a consensus on standards for the core subjects in elementary and secondary education and for work-related skills. We do not believe that it should be charged with developing a national examination system, but that funds should be appropriated by the Congress to enable the Executive Branch to provide support to a variety of groups that come forward to implement examination systems based on the standards established by the Board. The Board should be required to report annually to the Congress and the public, whether or not it receives Congressional appropriations.

## Systemic Change in Public Education: a Collaborative Design and Development Program

As we noted above, the conference report on S2 and HR 4323 contained a comprehensive program to support systemic change in public education upon which we would build. Here again, we would invite the states to submit proposals in a competitive grant program on the same principles and for the same reasons we suggested that approach above. Each year, additional states - and, in this case, major cities and poor rural areas - would be added to the network. Here again, most of the existing rules and regulations affecting relevant federal education programs would be waived, save for those relating to health, public safety and civil rights, and the participants would be expected to specify objectives for specific demographic groups of students and to make steady progress toward their achievement as a condition of remaining in the program. While the participants would have a lot of latitude in constructing a strategy that fits their particular context, that strategy would have to show how they planned to:

Implement an examination system related to the standards developed by the National Board.

Empower school staff to make the key decisions as to how the students will meet those standards.

Provide curricular resources to the school staffs related to the new standards and examinations.

Reorganize pre-service and in-service professional development programs to support the development of skills necessary to bring all students up to the new standards.

Reorganize the delivery of health and social services to children and their families so as to support students and the school facilities.

Deploy advanced technologies to support the learning of students in and out of school.

Restructure the organization and management of public elementary and secondary education on the principles of modern quality management, empowering school staff, reducing intermediate layers of bureaucracy and the burden of rules and regulations from the state, the board of education and the unions and holding school staff accountable for student progress.

Funds provided by this program could be used for professional development, to provide critically needed glue and support to weld together activities consistent with the purposes of the program, and to provide student services. But funds for direct student services could be used only for services rendered before and after the regular school day, on weekends and during vacation periods. States receiving funds under this program would have to provide relief from regulation comparable to that provided by the federal government.

## Federal Programs for the Disadvantaged

The established federal education programs for the disadvantaged need to be thoroughly overhauled to reflect an emphasis on result for the students rather than compliance with the regulations. A national commission on Chapter 1, the largest of these programs, chaired by David Hornbeck, has designed a radically new version of this legislation, with the active participation of many of the advocacy groups. Other groups have been similarly engaged. We think the new administration should quickly endorse the work of the national commission and introduce its proposals early next year. It is unlikely that this legislation will pass before the deadline - two years away - for the reauthorization of the Elementary and Secondary Education Act, but early endorsement of this new approach by the administration will send a strong signal to the Congress and will greatly affect the climate in which other parts of the act will be considered.

## Public Choice, Technology, Integrated Health and Human Services, Curriculum Resources, High Performance Management, Professional Development and Research and Development

The restructuring of the schools that we envision is not likely to succeed unless the schools have a lot of information about how to do it and real assistance in getting it done. The areas in which this help is needed are suggested by the heading for this section. One of the most cost-effective things the federal government could do is to provide support for research, developmental technical assistance to the schools on these topics. The new Secretary of Education should be directed to propose a strategy for doing just that, on a scale sufficient to the need. Existing programs of research, development and assistance should be examined as possible sources of funds for these purposes. Professional development and the time in which professionals can take advantage of such a resource. Both cost a lot of money. One of the priorities for the new education secretary should be the development strategies for dealing with these problems. But here, as elsewhere, there are some existing programs in the Department of Education whose funds can be redirected for this purpose, programs that are not currently informed by the goals that we have spelled out. Much of what we have in mind here can be accomplished through the

reauthorization of the Office of Educational Research and Improvement.

## Early Childhood Education

The president-Elect has committed himself to a great expansion in the funding of Head Start. We agree. But the designing of the program should be changed to reflect several important requirements. The quality of professional preparation for the people who staff these programs is very low and there are no standards that apply to their employment. The same kind of standard setting we have called for in the rest of this plan should inform the approach to this program. Early childhood education should be combined with quality day care to provide wrap-around programs that enable working parents to drop off their children at the beginning of the work day and pick them up at the end. Full funding for the very poor should be combined with matching funds to extend the tuition paid by middle-class parents to make sure that these programs are not officially segregated by income. The growth of the program should be phased in, rather than done all at once, so that quality problems can be addressed along the way, based on developing examples of best practice. These and other related issues need to be addressed, in our judgement, before the new administration commits itself on the specific form of increased support for Head Start.

## Putting the Package Together:

1. The first would use the Clinton proposal for an apprenticeship system as the keystone of the strategy for putting the whole new postsecondary training system in place. It would consist of the proposal for postsecondary standards the Collaborative Design and Development proposal, the technical assistance proposal and the postsecondary education finance proposal.
- 2, The second would combine the initiatives on dislocated workers, the rebuilt employment service and then new systems of labor market boards as the Clinton administration's employment security program, built on the best practices anywhere in the world. This is the backbone of a system for assuring adult workers in our society that they need never again watch with dismay as their jobs disappear and their chances of ever getting a good job again go with them.
3. The third would concentrate on the overwhelming problems of our inner cities, combining elements of the first and second packages into a special program to greatly raise the work-related skills of the people trapped in the core of our great cities.
4. The fourth would enable the new administration to take advantage of legislation on which Congress has already

been working to advance the elementary and secondary reform agenda.

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