

CENTER FOR AMERICAN PROGRESS

EDUCATION REFORM IN THE 21ST CENTURY

**INTRODUCTION:
JOHN PODESTA,
PRESIDENT & CEO,
THE CENTER FOR AMERICAN PROGRESS**

**MODERATOR:
CYNTHIA BROWN,
VICE PRESIDENT, EDUCATION POLICY,
THE CENTER FOR AMERICAN PROGRESS**

**SPEAKERS:
SECRETARY ARNE DUNCAN,
U.S. DEPARTMENT OF EDUCATION**

**MAYOR MICHAEL BLOOMBERG,
NEW YORK, NEW YORK**

**KATI HAYCOCK,
PRESIDENT,
THE EDUCATION TRUST**

**WEDNESDAY, NOVEMBER 25, 2009
8:00 A.M.
WASHINGTON, D.C.**

*Transcript by
Federal News Service
Washington, D.C.*

JOHN PODESTA: Good morning, and welcome everyone.

I'm John Podesta. I'm the president of the Center for American Progress. And we are very pleased to have back at the center three people who have been at the forefront of the fight to give every kid in our country a quality education and a chance to succeed: Secretary of Education Arne Duncan; Mayor of New York City, Michael Bloomberg; and Kati Haycock, president of The Education Trust. I think the fact that it's Wednesday before Thanksgiving, it's 8:00 in the morning, and we have a full house and a lot of cameras is either a testament to the fact of the timeliness and the quality of this discussion – or, Arne, they're expecting you to announce Race to the Top Fund decisions here this morning. (Laughter.)

But seriously, we're here today to discuss education reform in the 21st century, an issue that could not be more timely. To keep our global edge and keep our economy strong, the nation needs to get education right. We need to improve our failing schools. We need to close the persistent achievement gaps. We need to prepare all students, regardless of their family background, for the workplace of the 21st century. That's what these great leaders and our team here at CAP led by Cindy Brown have been striving for.

The American Recovery and Reinvestment Act provided an unprecedented amount of federal discretionary funding targeted for education reform: \$4.35 billion in the Race to the Top funds; 650 million (dollars) for Investing in Innovation Fund; \$200 million for the Teacher Incentive Fund; \$250 million for the statewide longitudinal data system grants; and \$3 billion in Title I school improvement grants – a total of \$8 billion.

The Race to the Top program especially provides educators and policymakers with an unprecedented opportunity for innovation and reform. But the program also requires states and cities to make hard decisions and to commit to change. The focus of the department's requirements for the Race to the Top Fund parallels the priorities of the Center for American Progress: first and foremost, its laser-like focus on improving teacher effectiveness through rigorous evaluation systems that link teacher performance to that of their students; meaningful tenure processes; pay for performance and additional responsibilities; support for new teachers and those needing to strengthen their teaching skills and removal of those who do not improve – all worked out together with teacher representatives.

We at the center also urge rigorous national – now called “common” – standards, strong accountability, expanded learning time and community schools for our most disadvantaged students, and greater fairness in the distribution of financial and human resources.

The issue of innovation in education has long been important to the center. Before we got bogged down in this great recession, before there was a Race to the Top, we began a project together with the U.S. Chamber of Commerce and Rick Hess at AEI looking at this very issue. The project culminated in a state-by-state report card of innovation in the states, which we

released earlier this month with Secretary Duncan. And we hope we can trigger future state action.

What is unprecedented and very encouraging is how the department's discretionary funding is leveraging reform activity among states even before it's awarded. As you know, a number of states have made changes to state laws to be eligible for Race to the Top funding. I'm sure many of you noted the change to California's law prohibiting the linking of teacher and student data for evaluation purposes. They've reversed that.

And many other states have – are taking these programs very seriously. Indeed, there are reports that as many as 30 states have – plan to apply for Race to the Top funds. Governors are convening working groups in state legislatures in several states, including – Illinois and Massachusetts are taking action to position their states more competitively to be awarded these grants.

So these funds are beginning to reshape state policy before they even leave the Department of Education. Maybe I shouldn't trumpet that too loudly, or Congress might decide to rescind that money. But no, seriously, we encourage more bold efforts by the states and districts, because the magnitude of this federal funding opportunity is unlikely to arise again anytime soon. In many cases, the politics of making changes to the status quo will be tough, but the carrot of these funding streams will be a powerful lever, and it is essential to bring all the stakeholders to the table when designing and advocating for transformative education system changes.

Just as important as these stimulus dollars for education reform is the wise reauthorization of Elementary and Secondary Education Act, a process we hope begins early next year. Almost everyone recognizes that major improvements are necessary, and we must learn from the most successful actions and outcomes of state and local efforts with Race to the Top dollars, as well as the school improvement, innovation and TIF programs that are in ARRA.

As the ESEA reauthorization moves forward, it should include a strong, more thoughtful approach to accountability, ones – that sets challenges but achievable goals for closing achievement gaps, and acknowledges different types and degrees of inadequate school and district performance, and targets interventions more specifically to meet those needs.

The approach to accountability should also prevent widely varying state standards, assessment and accountability measures, and reward success.

ESEA's teacher quality title needs to be improved substantially. In addition, we need a new program for middle and high schools that take aggressive steps to prevent dropouts and recapture those who have left school, as well as put students on a faster track to college through early college and dual enrollment. And there also needs to be more substantial programming that links academic learning time, enrichment experience and community support for low-income students, who get much less than their middle-class peers.

This is a big task. Much remains to be done. And that's why this event brings together some of the nation's leading education reformers to talk about how best to improve our education system and prepare all students for the future.

I'm very pleased to introduce briefly our three speakers who have agreed to be with us this morning. Arne Duncan is of course the secretary of Education, a former superintendent of Chicago public schools. He, together with President Obama, is leading an extraordinary effort to transform America's public schools, earning praise from progressives and conservatives alike.

Michael Bloomberg is the mayor of New York City. In 2002 the New York state legislative – legislature awarded him control of the city's school system, and he, along with Chancellor Joel Klein, who's also with us this morning, has initiated several major reforms that are paying off for New York students. Finally, Kati Haycock is president of the Education Trust, a leading national advocacy organization on behalf of low-income students and students of color. We at the center have teamed up with that trust on several important strategies for closing the nation's shameful achievement gaps.

After they speak, they'll take a few questions and participate in a panel led by Cindy Brown, our great vice president for education policy.

Let me thank you all again for being here this morning, and especially to our speakers for agreeing to get up early and come here and address this important topic.

Secretary Duncan, let me hand it off to you. Thank you. (Applause.)

SECRETARY ARNE DUNCAN: Thank you, John. I'm really honored to be here. And I want to thank the mayor and Kati for their extraordinary leadership. And it really is a huge opportunity for me to share this panel with them.

Many, many politicians run away from education. They talk about it; they don't do much about it. This is a mayor that ran on education, has been relentless in his commitment to improving the quality of lives for children in New York. So Mayor, thank you so much for your courage.

And Kati Haycock has spent a lifetime focused on equity and closing the achievement gap. And she's a smart woman. And the way we close the achievement gap is to get great teachers and great principals in front of children and communities that have been historically underserved.

Now, laser-like focus is exactly right. And we're seeing now more than ever not just great classrooms but schools that are consistently closing the achievement gap, not for one miraculous child or one miraculous year, but year after year after year. And she's continuing to shine a spotlight on what's possible and putting the myth or the lie into any stereotype that poor children or children of color can't learn. So I thank you both for your courage and your leadership and your focus.

I think the challenge we face boils down to a conversation the president had recently on a trip over to Asia. He met with the president of South Korea, and asked him, “What’s the biggest challenge you face in education.” And the president went on and on. His point was, the biggest challenge in South Korea, he said, is that his parents are too demanding; his parents are asking them to do too much, too fast, and that somehow, even the poorest of parents expect the best education. And he’s having to import thousands of teachers into his country, because every child in that country is learning English in the second grade.

So the question as a country, when the rest of the world is very serious about this and very committed and working very hard, how do we awaken our country to understand how critically important it is for our children to have a chance to compete – for all of our children, particularly disadvantaged children, to have a world-class education?

And we have to get to the point where this is really being driven from the ground up, where communities are demanding dramatically better for their children. But until we get to that day, until we sort of awaken from a – from a point of a complacency and apathy and acceptance of the status quo, we have to continue to push very, very hard for change.

What are we trying to do with Race to the Top? What I’ve said repeatedly is it’s really – you know, sounds sort of crazy, because it’s a lot of money. It’s really not about the money. And if folks are making changes to chase the money, that’s the wrong thing to do.

We’re asking folks to make the kinds of changes – this money will last for two, three, four years. We want the kind of fundamental changes that will last for two, three, four decades. So the question we’re asking ourselves every day is, can we use a huge amount of resources, unprecedented resources, historic resources, but in a time- limited time, to change public education in this country for the next three or four decades? And we want to invest in those places that have that kind of commitment and long-term vision.

I see this not so much as a competition between states, and that’s sort of how it’s been played in the media. I see it a little bit differently. This is really a test of two things, I think: the courage and the capacity within states to deliver dramatically better results for children.

So this is less about states looking over their shoulder and looking at what other folks are doing, but really doing a gut check and a heart check and looking deep within themselves and seeing, do they have the collective leadership ability, the courage, the willpower, the staying power to fundamentally do things in dramatically different ways at the local level that will lead to dramatically better outcomes for children?

There have been two challenges, I think, in education, historically. One is a massive underinvestment. And while money is never enough, a hundred billion dollars that this president and a bipartisan Congress have given us is unprecedented resources coming into education.

But the other big thing lacking has been political will, courage. And what I call adult dysfunction – and part of the reason education is so hard, so complicated in our country, is you need so many adult stakeholders on the same page. You need education leaders.

You need political leaders. You need parents. You need community support. You need the philanthropic community. You need the business community. You need nonprofits and social service agencies. You need everybody working on behalf of children. And in far too many places, those adults, due to their own egos, their own silos, their own agendas, those agendas have been at odds with each other. And when adults fight, children lose.

And so I see our resources, our Race to the Top money, as basically venture capital. And we want to invest not just in a great CEO, but we want to invest in great management teams. And where we see alignment, where we see collective courage, where we see a willingness to challenge the status quo in fundamentally different ways, those are the kinds of places that we want to invest in.

We've been very clear what's important to us.

Raising the bar dramatically, stopping lying to children, much higher standards, common college-ready/career-ready standards are what we're looking for.

Secondly, transparency around data.

I've talked a lot about Louisiana. Louisiana tracks students' progress. They track teachers back to students, and they track teachers back to their schools of education and back to their different alternative certification routes, so that after hundreds of thousands of students and tens of thousands of teachers, you see schools of education literally changing their curriculum based upon the results of the students of their alumni.

Louisiana doesn't have some technology the rest of the country can't figure out. This is not some technological breakthrough. This is simply having the courage to say that great teaching matters and that adults make a big difference in students' lives. And guess what. If we track these things over time, not in a "gotcha" way but in a method or a philosophy of continuous improvement, that we can get dramatically better. And so I sort of question why – when there's not some miracle technology that Louisiana's patented and won't share with the rest of the world, why is it that today we only have one state operating in this manner?

Third, great talent matters. Thinking about how we get the best and brightest teachers and principals, the hardest-working, the most committed adults to the children and the communities that have been historically underserved.

And for all the huge challenges we face as a country – a dropout rate that's devastating; too many of our high school graduates aren't prepared for college – for all the challenges, I've never been more hopeful, because we've never had more examples of success, of schools and school districts beating the odds year after year after year.

How are they doing it? By getting the most talented adults in front of the children who need the most help – and we have to start to do that systemically, not haphazardly, not by accident.

And then finally, as a country, having the courage to fundamentally turn around chronically underperforming schools. I talk about a dropout rate that's devastating. We have over a 100,000 high school – 100,000 schools in our country. Only 2,000 high schools – not that many, pretty contained number – 2,000 high schools produce half, 50 percent, of our nation's dropouts. Those 2,000 high schools produce 75 percent of our dropouts from the minority community, our African-American, Latino young boys and girls. That is fundamentally unacceptable.

And what's heartbreaking to me is, in most of those communities, that hasn't been true for a year or two years or five years; that's been true for 10, 20, 30 years, for decades. And we've just looked for incremental change and marginal change; we have not had the political will and the courage to do things fundamentally different.

So what we want to do is invest unprecedented resources in states, in districts, in nonprofits, in universities that are willing to raise the bar for all students, to be transparent around student achievement, to think very differently about how you create real incentives, meaningful incentives to get great talent into underserved communities, and who are willing to challenge the status quo, where schools – despite the hard work, despite the best of intentions – who will challenge the status quo where schools are actually in effect perpetuating poverty and social failure.

It is an extraordinary opportunity. There's been a lot of focus on Race to the Top. That's about \$4 billion. When you look at all the other discretionary resources we have, School Improvement Grants, Teacher Incentive Fund, Invest in Innovation, money for education technology, we have north of \$10 billion. We've never had this kind of discretionary resources.

And what I've said repeatedly is, I think for all the challenges, as much as we're going to push everybody else, the Department of Education has been part of the problem. We've been this big compliance-driven bureaucracy. And we're trying to look in the mirror every day, be very self-critical, and change – fundamentally change the business we're in from being about compliance and audits to being about driving innovation and scaling up what works. So just as we push everyone to behave in very different ways, I promise you we're challenging ourself to do things very differently within the building.

It is an extraordinary opportunity. John talked about the tremendous movement without spending a dime. I think there's an appetite, there's a willingness now, there's a sense of urgency around the country that hasn't existed before. And our goal is to capture that, to build upon that courage, the great leadership at the local level, and fundamentally transform education.

And if we can get a set of states to really break through and lead the country where we need to go, then I think the rest of the country will follow behind that. So I look forward to the conversation later.

And it's now my honor to introduce the mayor of New York City, Mayor Bloomberg.
(Applause.)

MAYOR MICHAEL BLOOMBERG: Arne, thank you. And good morning, everyone. Great to see you. Kati, thank you for coming. I'm joined by Dennis Walcott, our deputy mayor for education, as well as Joel Klein, our great chancellor.

I'm sure everyone here is thinking about turkey and pumpkin pie, and that's fine. Tonight I'll be watching the balloons being blown up. You can watch it on television. It's an incredible experience. I actually can't imagine as much hot air in one place, although – (laughter) – this is Washington, so perhaps.

It's always a pleasure to be here in the nation's capital, particularly since this is the only city whose basketball team is doing as badly as New York's. So I feel right at home. I ride the subway every day, and the only time anybody's ever yelled at me was one time as I was getting off. A big hulking guy looked at me, glared at me and screamed, "Fix the Knicks!" There are some things even a mayor can't do.

Before President Obama took office earlier this year, Rahm Emanuel told us that we should, quote, "never allow a serious crisis to go to waste." And so the president is not only working to stabilize the financial community – financial markets and save the auto industry from immediate collapse, he focused on our long-term economic – his focus on the long-term economic challenges, including the auto's industry's public's – the auto industry's public-sector equivalent, and that is our school system.

If you think about it, both the auto industry and our school system were built for another era, and both were very slow to adapt to changing times. And neither can compete in the 21st century without major structural reforms that place consumers at the center of their operations.

In the case of our schools, the consumers are the children – not the politicians, not the labor unions and not the ideologues. Schools exist to ensure that children learn as much as possible and as well as possible. And for the first time, I will say the federal government is telling states, through its Race to the Top program: Discard policies that impede learning and adopt policies that promote learning, or forfeit federal funding.

As Arne has said a number of times, a state can't enter Race to the Top if it prohibits schools from using student achievement data to evaluate teachers, and that's why California just repealed its prohibition on doing so. In New York, the state legislature passed a law last year that actually tells principals, "You can evaluate teachers on any criteria you want, just not on student achievement data." And that's like saying to hospitals, "You can evaluate heart surgeons on any criteria you want, just not patient survival rates." You really can't make this up. (Laughter.)

Thankfully, the law in New York is set to expire this June, but that is not enough. We will urge the state not just to prohibit, but to require all districts to create data-driven systems to comprehensively evaluate teachers and principals. And we want New York City to lead the way.

As it turned out – turns out, our lawyers now tell us, after a very close reading of New York’s law, the current law does not actually stop us from using student data to evaluate teachers who are up for tenure this particular school year, because the way it was written it covers only teachers hired after July 1st of 2008, and those are not up this year. So today, I’ve directed our schools chancellor, Joel Klein, to ensure that principals actually use student – student achievement data to help evaluate teachers who are up for tenure this year. It is an aggressive policy, but our obligation is to take care of our kids. And we’ll also begin creating our own comprehensive evaluation system that includes classroom reviews and student achievement data.

Now, we all know that great teaching is reflected in more than just test scores, but we certainly should never dismiss quantitative data in favor of subjective opinions that fit a predetermined conclusion. That might make all of us feel good, but it really doesn’t help our children.

Using data to help evaluate teachers and principals will get a state into the Race to the Top, but, as Secretary Duncan has repeatedly said, unless states take other major steps, they’re not going to get very far off the starting line. And for New York City, that’s worrisome from a short-term budget perspective because in this economic environment we cannot afford to leave federal monies on the table.

And it’s even more worrisome from a long-term economic perspective. Any state that sits out the Race to the Top will lose jobs and revenue – revenues, just as surely as car companies that sat out the race to build affordable hybrids; not to mention shortchanging our kids on the education they need to compete in an increasingly global and technological world.

Today I just want to take a few minutes to walk you through six other steps that New York should take to compete in the Race to the Top. And the more steps we take, the more likely we think we’ll be able to receive hundreds of millions of dollars in new funding that can only go to improve our system. The six steps really fall into two broad categories: attracting and retaining more great teachers, and creating more great schools.

And Mr. Secretary, I hope you hold all states accountable for submitting an application that achieves both. The time for excuses is over. And this really is our nation’s future, and it is in your hands. And we will play our part. You can rest assured.

The evaluation system that New York City is going to create will lay the foundation for each of these first three steps, including step one, paying higher salaries for higher performing teachers and principals, and for those with skills that are in the greatest demand.

In New York City, over the last eight years, we've raised teachers' salaries by 43 percent, and veteran teachers in New York City now make more than a hundred thousand dollars a year. I've always believed that if you want the best, you've got to pay for it. And we really are improving the quality of teaching in New York City, and the quality of those who are providing the service.

We've also adopted, you should know, a bonus program in partnership with our labor unions that rewards teachers and principals in schools that meet their benchmarks.

But sadly, like most places, New York City has difficulty attracting science and math teachers, because they have so many other career options that pay more. And we're also prohibited from paying the highest-performing teachers more money. This kind of lockstep pay scale is what you see in factory assembly lines, but teachers, we think, are professionals, certified by the state, and we need to pay based on skills, not just seniority.

And we'll start by demanding that our state Education Department changes the way it awards incentive pay. We want to see that money go to where it's needed the most, to math, science and special-need teachers in low-income schools who receive high ratings on comprehensive evaluations. This would benefit students, schools, teachers and our Race to the Top application. And rest assured, we will beat the drum among the public to make sure that this happens. The second reform that our new evaluation system would make possible, step number two, is ending a layoff policy called last in, first out.

Right now, as everybody knows, state law typically mandates that if layoffs have to be made, the newest teachers are the first to go, even if they are among the best teachers.

The only thing worse than having to lay off teachers would be laying off great teachers instead of failing teachers. Remember who the system's supposed to work for: the students, not its employees.

With a transparent new evaluation system, principals will have the knowledge to make layoffs based on merit, but the ability to do so only if the state legislature gives us the authority to do so. And so we will pressure them to get that authority.

Third, our evaluation system will give us the ability to identify the lowest-performing teachers, but it's also a key criteria for Race to the Top funding.

In New York City, removing bad teachers from a classroom is extremely difficult, and moving them off the payroll is even harder. When a teacher is removed from the classroom for multiple negative reviews, or for breaking the law, he or she can go to something known as the Rubber Room. It is basically a suspension hall for teachers, with full pay. Believe it or not, we're still paying teachers in New York City who have been in the Rubber Room for seven years and counting – seven years. This is the public's money and this is the money that would otherwise go to pay those teachers who are helping our children. This is an absurd and outrageous abuse of tenure, and we've got to work with the state representatives to fix it.

But let me be clear. We are not proposing an end to tenure. We're only proposing that our state legislature streamline the process for removing failing teachers from classrooms and put an end to the Rubber Rooms as we know it.

Now to ensure that students have more great teachers and more great schools, we're going to take a few more steps. Step number four in our list of six is the most important, and that is raising standards. I believe that the federal government should require states to adopt a single national standard for all students and all subjects. But as Bill Bennett, one of Arne's predecessors, once told me, the reason we don't have national testing is that conservatives hate anything with the word "national" in it, and the liberals hate anything with the word "testing" in it. The Race to the Top, very pragmatically, skirts this ideological divide by incentivizing states to adopt a common core standard, and I'm glad to say that New York state has signed up to be part of that.

When the standards are completed next year, there will undoubtedly be pressure to water them down.

And so today Chancellor Klein and I are sending a letter to our state Board of Regents urging it to ratify the standards without material alterations.

In New York City, we've built all of our reforms around raising standards and holding everyone accountable for results. And that's why our kids have made enormous progress on state exams, especially when compared to the rest of the state. The chancellor of our Board of Regents, Merryl Tisch, has been a great champion of raising standards, which account for 14 percent of a state's Race to the Top application. And we'll give her all the support we can to raise them as high as she can get done.

The fifth step we've got to take is lifting restrictions on growth of charter schools. This fall, a Stanford University study showed that charter school students in Harlem have performed at nearly the same level as students in suburban Scarsdale, one of the wealthiest districts in the whole country. No wonder the waiting list for charter schools in New York City is upwards of 40,000 children.

I'm committing to open a hundred new charter schools over the next four years. But we do need the state legislature to lift the cap, just as Illinois and Louisiana have recently done, because we're about to hit it. Arne has said that states with any cap will lose points in the Race to the Top, and I think he's absolutely right to do so.

We'll also urge the – urge the state legislature to provide charter schools with funding for facilities, just as New York City is doing for other schools. Charter schools are public schools. People forget that. And all public-school children deserve to share in the resources that the state has. To not do so is an outrage. And if the state doesn't get this done, I've directed Chancellor Klein to sue and see if we can't get it done in the courts.

The sixth and final major step that Race to the Top challenges us to take is turning around our lowest-performing schools. Since 2003, we've closed 91 schools in New York City,

and the new schools that have replaced them have graduation rates 15 points above the citywide average. Secretary Duncan has challenged states to turn around their lowest-performing 5 percent of the schools. Arne, we'll see your 5 percent and we're going to double it. Our goal is to turn around the lowest-performing 10 percent of city schools over the next four years by closing them down and bringing in new leadership and holding everyone accountable for success. But – and this is important – the only ways that we can achieve that goal is to reform something called the Absent Teacher Reserve pool.

Right now, when we close a school, some teachers don't get hired back on. And many find jobs elsewhere (sic) but – some teachers do get hired back on, and many find jobs elsewhere, but some don't. Those teachers can go into a reserve pool and stay on the payroll indefinitely.

When you combine the reserve pool with the Rubber Room, it's costing us more than \$100 million a year of monies that don't produce better education for our kids. We just can't keep wasting that kind of money. And as Arne can tell us, Chicago has a one-year limit for displaced teachers, and we'll urge our state legislature to adopt the same.

Now, all of the reforms that Secretary Duncan and I have talked about today share something in common: they make sense. They are not Democratic ideas or Republican ideas; they are common-sense ideas. And the ways you make progress in government is by combining common sense with political courage, which the Obama administration is doing.

The Race to the Top is challenging the education establishment in a way that I think has never happened before. And New York City is ready, willing and able to help the charge. The year ahead will tell us a lot about whether we're going to bring our schools into the 21st century, or whether our schools and our students are going to be left clinging to the 20th century as more and more countries pass us by.

The president and Secretary Duncan have set the bar high, and if they keep the bar high, we really can give our children more great teachers and more great schools. They deserve it. Parents demand it, both here as well in – as in Korea. And it's up to us here to deliver it.

So thank you very much. And now you're going to hear from Kati Haycock. She's the president of The Education Trust, and she is well worth listening to. Kati. (Applause.)

KATI HAYCOCK: Thanks. You know, Arne and Mike have just outlined some very big and very bold – some might say, earth-shaking – changes for our education system. And I doubt I need to remind most people in this room why big changes are so important.

Yes, over the past decade we've made some progress in this country in raising achievement of American children, especially in the elementary grades. And, yes, the children furthest behind – low-income kids, kids of color, students with disabilities, English- language learners – have actually made more progress than other kids, substantially narrowing the gap between these kids and other young Americans.

And, yes, despite the contention that we don't know how to improve our lowest-performing schools, an awful lot of those schools actually have gotten a lot better in recent years; proving beyond a shadow of a doubt, as Arne said so clearly, that poor kids, kids of color, absolutely can achieve at high levels when we teach them at high levels.

But the truth of the matter is that we've made gains only when measured by an old yardstick, a yardstick of basic skills. When you ask the question differently, when you ask the question, "Are our kids leaving high school with the knowledge and skills that they need to be successful in college, in careers, or the knowledge and skills they need to help make our democracy work?", for far too many of our young people, especially low-income youngsters and youngsters who are black or brown, the answer is: "Not even close." And that, my friends is the yardstick that actually matters to the American people, and it matters to the kids.

To them, the gains – the good news of the gains we've made in fourth-grade math, in fourth-grade reading, feels small and irrelevant. What looms much larger for them is the bad news: the horrendously high dropout rates and high rates of college remediation, and the depressingly low college-graduation rates. That's the top we've got to race to, and that's the yardstick where we're not even close.

When you look at the most recent data on our 12th-graders on a – one in three of our 12th-graders don't even read at the basic level. They are still trapped in that very dangerous category called "below basic." For African-Americans and Latinos, about half of our kids are still trapped at that "below basic" level.

When you look over to mathematics, four in 10 of our 10th-graders are still not even doing math at the basic level. For African-Americans and Latinos, it's about seven in 10.

The numbers in science are even more depressing. Fewer than one in five – about 18 percent – of our 12th-graders are performing at what we call the proficient level in science. For Latinos, it's 5 percent. For African-American 12th-graders, it is 2 percent performing at the – at the below-basic – or at the proficient level.

If you don't like (NABE ?) 12th-grade levels, how about ACT results for college readiness for the most recent graduating class? Amongst our graduating white high-school seniors, about six in 10 performed at the college-ready level in reading; for Latinos, 35 percent; for African-Americans, 20 percent.

The numbers in mathematics are even worse: about 50 percent of our white high-school graduates performing at the college-ready level in math; for Latinos, 27 percent; for African-Americans, 12 percent.

Why do we have to be bold this time? Simply because of that. The American people are watching this Race to the Top initiative. I think we all know that. Some of them, frankly, are watching with the hope that we will fail, with the hope that they can say, "Sure, look, we gave them the money and they couldn't get it done." But far more Americans are watching us with

the hope that we'll succeed – with the hope that we'll succeed in being bolder this time than we have before.

What does that mean? It means being bolder in implementing big system reforms, but bolder also in something even more important, and that is looking established interests in the eye and saying, “No, not this time.”

This time, we're not going to just do equity when it's convenient for the adults who work in the system. We're not going to do equity as an afterthought. From the beginning this time, we're going to both do serious system change, but build in fairness from the very beginning.

Thank you very much. (Applause.)

CYNTHIA BROWN: Thank you, all three of you, for just terrific remarks about this very important time in American history for public education.

We have got to get serious about getting this job done, making our country a leader in education again, instead of – and eliminating the kinds of statistics that Kati talked about. And all three of you have set forth very bold ways to do it.

Mr. Mayor, let me ask, what are you going to do with your state legislature now? Have you had conversations about your proposals today with them? And do you – are you encouraged about support (going to lobby them)?

MAYOR BLOOMBERG: I think it's easy to say they'll never do anything and they're the problem. And you can do the same thing about the unions. But number one, I've always thought that where there's life, there's hope.

MS. BROWN: (Chuckles.)

MAYOR BLOOMBERG: And number two, based on experience, keep in mind, our state legislature did give the mayor control of the school system, and did renew that. So they're not just saying no.

And our unions did work with us. Today we have performance pay based on schools, which to me has always made more sense than based on individual teachers, simply because when kids go from one classroom to another, it's very hard to identify who's really providing the service. So to me, I've always thought, at a school level, it makes more sense. Our teachers teach the equivalent of 25 more days a year. They've gotten a lot of increase in pay, but they've also changed a lot of the work rules.

And I think it's fair to say that the progress that we've made, that Joel has made and Dennis has made and our students and teachers and everybody's made, has been done with the unions. Randi Weingarten, no matter what the press wants to make about big fights, she and I

got together every few weeks for breakfast. She got together with Joel a lot. And together, we made progress.

And Michael Mulgrew, the – her replacement, her successor, I think’s the kind of guy that we can work with as well. There’s going to be rough patches. There’s always going to be disagreements. That’s what negotiations are all about. But I really am optimistic that the state legislature will come together. It’ll be yelling and screaming. It will take some time. But in the end, we’ve made progress with them, and there’s no reason to think we can’t go forward.

MS. BROWN: Terrific.

Kati, you travel around the country constantly. You and Secretary Duncan must – (laughs) – be the biggest travelers for education in this country. Where do you see leadership at the state level, the kinds of dramatic changes that we need, that will be permanent, that have widespread support in their states?

MS. HAYCOCK: One of the things that I’ve been fascinated about is the places even that we would have thought were kind of moribund in terms of education policy and education sort of progress in the last few years, there are folks lining up in state capitals to make the kind of bold changes right now that we thought would probably take a decade. You know, it’s – is that – this Race to the Top thing has had quite fascinating effect. I don’t think I have ever seen as much state policy activity on hard issues in a short period of time as I’ve seen in the last six months. I mean, it’s really interesting time.

And I’m not sure whether you’re wanting me to name particular states, but –

MS. BROWN: You can. (Chuckles.)

MS. HAYCOCK: (Chuckles.)

MS. BROWN: I won’t ask the secretary. (Chuckles.)

MS. HAYCOCK: But actually, you know, it’s pretty broad right now. I’m pretty excited.

MS. BROWN: Terrific.

So Secretary Duncan, tell us a little bit about the schedule for how you’re going to go forward. When do you expect to announce these grants? And how do you expect the results of them to affect the reauthorization of ESEA?

SEC. DUNCAN: Well, the first round of grants money will go out this spring. And it’s going to be very, very competitive. And I think folks are still waiting for us to just give money to 50 states. People don’t quite believe – and I think it’s going to be a real wake-up call, but I promise everyone in this room that this is not going to be a 50-state winner situation. This is going to be high bar. And to me, I really equate it to Olympics. This is about winning the gold

medal. So it would have sort of, frankly, a low bar just to get into the competition – that’s to make the Olympic team – but now it’s about winning the competition. And so there’s going to be a very high bar.

We hope to work with a relatively small number of winners who can demonstrate to the country what’s possible, and they’re showing courage and capacity in all these issues. Everyone who doesn’t win the first round will get an individual letter back about what things they need to do to improve, and there will be a second round that will follow in the fall.

And so this is a process where we want to continue to learn, continue to grow. And folks who don’t get in the first time shouldn’t be discouraged, and we hope those numbers will increase as we go into the second round of funding.

In the second round, there should be probably north of a billion dollars in that round as well.

So you know, again, huge amounts of money for the two – the two rounds of funding.

MS. BROWN: Terrific.

Mayor Bloomberg – so the state’s responsible for putting together a Race to the Top application. Have you and the chancellor started conversations with state leaders?

MAYOR BLOOMBERG: Yeah, I mean – and Merryl Tisch, who’s the head of our Board of Regents, happens to live two doors away from me, and probably see her in the street once every couple of days – Joel and she and Dennis converse all the time. Cathy Nolan, one of our assemblywomen who really has led the charge in the state assembly for reforms, is – certainly understands the need and has, I think, done an – a great amount of work in helping us to go forward. And we will submit – I hope, I think, I expect – a great application.

But I think the real answer is, we’d love to win the competition and get the money, but our objective is to improve the schools. That’s what Arne wants us to do. That’s what he’s trying to incent us to do with the money. And that is – we have an obligation to our students, to the citizens of New York, to make – give our kids the kind of education they need to participate in the great American dream. And we’re going to do that. And if he can help us and help fund us, God bless him. But we’re going to do it anyways.

MS. BROWN: Very important.

Kati, teacher – the distribution of highly effective teachers has been one of your major agenda items at the Education Trust. Where do you see progress being made on that?

MS. HAYCOCK: You know, there’s, as you know, Cindy, nothing more important to closing long-standing gaps in achievement than getting strong teachers to the kids who most need them. Yet on virtually every measure we have, poor kids and kids of color get less than their fair share of our strongest teachers. That has been probably the most difficult, though,

needle to move in the last decade. People would really, really have a hard time sort of facing that issue honestly, looking at the data and figuring out sort of what to do.

We're beginning, though, I think, to see some efforts to change that. One of the most interesting is in Hamilton County, Tennessee, where, using real data, they've identified some of their strongest teachers.

They've provided them incentives to come in groups to their lowest- performing schools, and they've also paid the teachers in those schools who are strong performers more, as well. And results in the schools are up, as a result.

Guilford County, North Carolina, is another system that has taken this issue on and made some real progress. Houston Independent School District is doing some interesting work around teacher distribution and performance, as well. And I think some of these cities will help lead the way as we figure out what's the right combination of strategies. How much of this is about really important – is about school leadership? Because we know that having good leaders in schools is one of the strongest magnets we can have for strong teachers. But how much of this is impeded by contract provisions that we need to change?

But having some of these cities – and now, finally, states – take this issue on and move out ahead will help us learn a lot more about what works and what doesn't.

MS. BROWN: Terrific. Now, Secretary Duncan, tell us a little bit about our plans for the reauthorization of ESEA. Are you going to announce a proposal? Looks like a crowded legislative agenda for next year in Congress. What do you expect, or are you not reading the tea leaves a lot? (Chuckles.)

SEC. DUNCAN: Oh, I don't know if I can ever read the tea leaves. I mean, obviously, there's a small issue folks are working on now called "health care," and we need to – need to get past that and through that. But I'm actually convinced that education is maybe the best issue for bipartisan support.

And as we move into the new year, we want to be prepared to come back with a comprehensive plan of what reauthorization would look like. We think – we've had great conversations with leaders in the House and Senate on both sides of the aisle. And again, we – we're not going to agree on every issue, but I think there's a lot of room, there's 70, 80 percent, where there's great – great common agreement. And so we would love to move forward in the new year with reauthorization.

We want to focus significantly on graduation rates. It's got to be – you know, third-grade test scores are important, but you can't go get a job on a third-grade test score. So I'm really focused on outcomes. I've said a lot that what was broken with No Child Left Behind was the loose-tight mix: very loose on goals, tight on how you get there. We're going to be very tight on goals, hold folks accountable for hitting that higher bar, but give them the flexibility to get there. And then, we're going to continue to build upon the philosophies that we've talked about in Race to the Top.

Great teachers matter. A high bar matters. Transparency around data matters. Getting great teachers and principals to the communities that haven't had those historically is hugely important in fundamentally turning around failing schools. So the philosophy, the direction, the strategies we're going with Race to the Top, we want to help shape where we – where we go with NCLB.

What I always give the previous administration credit for is their laser-like focus on the achievement gap. And that's something as a country we didn't like to talk about. Folks like Kati have championed that for a long time. But those conversations make folks uncomfortable, because the picture is not pretty in the overwhelming majority of places around the country. And continuing a laser-like focus on closing the achievement gap is something we're going to absolutely stay with.

MS. BROWN: Terrific. I'd like to open the session to the audience. I want to begin with the press, if there are any press questions.

Yes, in the front row. And please say who you are and use the microphone.

Q: Mr. Secretary and Mr. Mayor, lacking in this discussion has been – has been security. Is that part of an education agenda here? Race to the Top – we have our kids in New York, Mr. Mayor, sadly you know, racing home to escape stray bullets. Where does that stand with –

MAYOR BLOOMBERG: Wait a second! That's not fair! We have brought crime down to the lowest in recorded history. Yes, there were a few tragedies, but given we have a 1,100,000 kids that go to our schools every day, they don't race home.

As a matter of fact, by making our schools safer and by removing disruptive kids from the classrooms, and by raising standards – I don't think any school system has ever raised standards the way we did when we ended social promotion. That's the fundamental – the basics of all of this. We are able to attract – in the last few years, we've had between 50,000 and 60,000 teachers from around the country apply to come to work in the New York City school system.

And you can walk – if you are a woman, you can walk in any neighborhood in our city during the day without having to look over your shoulder. Our kids don't have to worry in going to schools. It is safe. And people are moving into the city to send their kids to New York City public school systems, whereas before, they used to move out to avoid them, so –

Q: Mr. Mayor, all I meant to suggest was, are you looking for national legislation on gun control –

MAYOR BLOOMBERG: There's no question –

Q: – as a part of aiding our schools?

MAYOR BLOOMBERG: – it's to aid our students, to aid adults, to aid our cops. I couldn't agree more. It is one of the seminal things that we have to focus on.

And Arne Duncan, in all fairness, one other thing – I don't know, Arne, if I'm telling things out of school – but Arne said to me one time, as important as fixing education, he thinks, is getting guns off the streets, from his experience in Chicago. Same thing is true with us. We've got 500 mayors who are working together in a coalition to get guns off the streets. Unfortunately, we can't get Washington, the legislature in this – in this capital city, to do something about it. And it's a national problem.

MS. BROWN: Woman in the brown.

Q: Secretary Duncan, the – well, I was wondering if you could talk about SAFRA here. The Student Aid and Fiscal Responsibility Act has yet to pass – the Senate. Yet there have been conference calls with college presidents as well as issues of the administration leaning on groups to lobby to have some – to have this legislation passed. Isn't this a violation of the 2009 Omnibus Act?

Also, I'd like to know, in regards to the D.C. charter – D.C. vouchers program, why is it that the administration still doesn't support it, even though The Washington Post and The Washington Times, which I'm a part of, have called on the administration to continue the program?

SEC. DUNCAN: So I think your first point is wrong. We haven't lobbied anyone to do that. We have said that we have \$87 billion that is now subsidizing banks; we think a much better use of taxpayer scarce resources is to invest in children. And we think that's the right thing to do.

The House passed this with a strong support, and it's now going before the Senate. And if that passes, the chance to invest \$87 billion in higher education, in early-childhood education, is hugely important. And so we – we're hopeful that that will pass the Senate.

Your second – your second question: What I've said repeatedly is, I just think, at the end of the day, we fought hard, as you know, to keep children in the – in schools, in those schools, and not to displace them. At the end of the day, the goal is about fixing the system.

And I think we have to be more ambitious. As a country, we like to save one or two children in a neighborhood and let the other 500 drown and then go home and sleep well at night. I think we have to be much more ambitious as a federal government, as a state government, as a local district. Our goal is to save every single child. This turnaround effort that we're talking about does that.

And I can take you to schools in Chicago, I can take you to schools in Philadelphia, I can take you to schools in New York where the overwhelming majority of students were

failing. And by turning those schools around, the overwhelming majority of students are succeeding – not pulling one or two out to save them; the entire community.

There's a school in Philadelphia, Mastery Charter, where two years ago it was the second most violent school in the city, and 20 percent of kids were at grade level. Two years later, same children, same building, same families, same neighborhood, same socioeconomic challenges – 85 percent of those kids are passing. They've actually closed the achievement gap with children in the suburbs – not saving two children, the entire community. That's what's possible. I don't think folks understand how serious we are about that yet.

MS. BROWN: The man with the bow tie in the back.

Q: Good morning. Robert Brannum from the D.C. Federation of Civic Associations, Education Committee. To Ms. Haycock, in the Race to the Top – your Race to the Top evaluation, what advice would you have to many District of Columbia parents and community education advocates who feel they are intentionally locked out of the District education reform, oppose vouchers, and whose – accomplishments of Mayor Fenty and Chancellor Rhee are overrated and misrepresented in – by – in the media?

MS. HAYCOCK: What advice would I have?

Q: Yes, to community education advocates and parents who are locked out of the reform. It isn't that they oppose reform. It's that the mayor and the chancellor do not include them in the reform efforts.

MS. HAYCOCK: Well, I guess I have a slightly different perspective. As a former parent of a D.C. PS student, I am strongly supportive of the reform work going on here in D.C. And speaking as a parent, I appreciate, as I'm sure many of other D.C. parents do, how urgent the need for change is. And so I very much appreciate the sense of urgency that the chancellor is bringing to this effort and would encourage you to join her in the effort to make fast change.

Q: You can't join if you're locked out. That's the question. If she's not opening up to the community, to the education advocates, locking them out of the process – it isn't that they oppose – (off mike). She's locking them out. And even (the GAO ?) says that – they've testified before Congress that she's not including the parents in the community. So then what should parents in the community try to do, then, other than be seen as opposing reform? Because they tried to be a part of reform; she won't let them in.

MS. HAYCOCK: Oh, well, how about we talk afterwards about – about creating a venue to sit down together. I mean, this is not somebody who I perceive as being hostile to parent interests. On the contrary, she's strongly interested in doing what most D.C. parents want to happen, and that's big change for their kids right away.

Q: Right.

MS. HAYCOCK: So why don't we talk afterwards.

MS. BROWN: (Off mike) – Anderson.

STAFF: It's a question for Mayor Bloomberg, with The Washington Post.

Q: My question is, you worked with the unions on the school bonus program. Did you work with them on today's announcement on tenure? In other words, did you clear with them in advance that you were doing this, or was this sort of a unilateral executive move on your part?

And then the second part, for Secretary Duncan, I wonder do you have any comment on today's tenure announcement from the mayor?

MAYOR BLOOMBERG: Well, the law is the law. As we read it, it says we can for this year use the data in evaluating whether or not somebody deserves tenure. We used to do it. Our lawyers before said you'd have to stop, but now they say we can probably go ahead, and if anybody were to challenge us in court, we would win. And we plan to do that.

And I think, in all fairness to the unions, they don't have any more interest in keeping teachers who can't teach in the classroom any more than anybody else does. Their approach might be to take more time to remediate a problem, but we have no interest in throwing teachers out that we can't help. If we can help them become great teachers, we're going to do that.

But I think the teachers union and all Americans understand that our kids deserve a quality education and the education system should be run for the kids, and not for those that work in it. After all, everybody in this room who works in the private sector every day goes to work, and they have to perform or they're going to lose their jobs.

Q: Did you consult with them on this?

MAYOR BLOOMBERG: I didn't consult with them, but they certainly know my views that we should – which I've espoused many times – we should use all means that we have to evaluate who the better teachers are, promote them, pay them more if we can; and at the same time, those who aren't up to standards, give them the remedial work that will make them into great teachers.

And if, after all of that, they can't cut the mustard, then I'm sorry: They just can't work in our school system. But our school system is there for the kids. It's not there for the politicians. It's not there for the people that work in the elected – in the Department of Education. It's not there for me. We have an obligation, and we're going to fulfill that obligation.

MS. BROWN: One last question.

Q: My name is – (coughs) – excuse me. My name is Joseph Williams, and I'm with the Boston Globe. And I'd like anyone from the panel to talk a little bit about who's doing things right as far as closing the achievement gap. I mean, everybody knows there's a persistent, a stubborn problem that a lot of districts are having trouble getting their arms around in trying to raise the bar. Boston's one of them. Who's doing it right? Who's doing successful work in closing the achievement black – gap between African-Americans, Latinos and white students?

MS. HAYCOCK: Well, –

MR. : Didn't know anybody was – (off mike).

MS. HAYCOCK: (Chuckles.) Yeah. There are – there are certainly some states that have made substantially more progress than others in recent years. Interestingly, Florida is one of those where, when you look in both reading and math, you see substantial progress for all groups of kids over the last eight or 10 years, but much faster progress for Latino and African-American kids than for white kids, which means basically the gaps are narrowing there.

The state of Virginia has made substantial progress. The state of Maryland has made substantial progress. Again, these are states where you see all kids going up, but the rate of progress faster for Latino and African-American kids – which is, you know, exactly what we want to see: everybody gaining, but kids that have been behind gaining faster.

Q: And what are they doing?

MS. HAYCOCK: I think there are a combination of approaches, but one of them that's horribly important is providing lots more guidance to teachers about what to teach. You know, one of the big worries that parents and many others have is, are teachers just teaching to the test? What we're finding is that when districts and states provide more help to teachers, more guidance about how to teach the standards, more curriculum support, more lessons, units, assignments that they can draw on in common, that that helps teachers to kind of aim higher and bring kids who've been behind up.

Because – basic problem that we face in schools serving concentrations of poor minority kids is, the expectations over time just get watered down. And so the districts and states that are actually making more progress are confronting that issue directly by providing teachers help in raising their expectations.

But they're also – they're also dealing honestly with under-performing schools, moving new leaders and stronger teachers into those schools. And the combination of these things seem to work.

MAYOR BLOOMBERG: And in New York, we've cut the gap essentially in half. We should be proud of that. What we shouldn't be proud of is that we haven't raised the overall standards, and that's what we're asking the state to do. Merryl Tisch, our head of our regents, is in favor of that, and we're going to work with her as well as we possibly – and give her as much support as we possibly can.

We should keep raising the standards, while addressing this issue. And the ways that you address the issue is to address accountability. For too long, I think we in our – in this country have said, oh, well, some kids can't learn. I don't accept that. We've said some kids aren't worth bothering with. I don't accept that.

We're going to try to give every single one of our kids a quality education, and we're going to expect them and their families to be part of that. They have a responsibility, as well.

MS. BROWN: We have run over on our time this morning. Thank you, gentlemen and Kati, for joining us today for this very important conversation. And everyone, have a great Thanksgiving. (Applause.)

(END)