

DOCUMENT RESUME

ED 304 350

SO 019 521

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 TITLE The Changing Face of America: Population, Education, and Socio-Economic. Manpower Report 87-6.
 INSTITUTION Purdue Univ., Lafayette, Ind. Office of Manpower Studies.
 PUB DATE 27 Jun 87
 NOTE 45p.; Paper presented at the Annual Conference of the State Education Editors (San Francisco, CA, June 23-27, 1987). For related document, see ED 275 853. Graphs may not reproduce well.
 AVAILABLE FROM Office of Manpower Studies, Purdue University, Knoy Hall Room 379, West Lafayette, IN 47907 (\$3.50).
 PUB TYPE Speeches/Conference Papers (150) -- Statistical Data (110)
 EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
 DESCRIPTORS Blacks; Census Figures; Educationally Disadvantaged; *Educational Status Comparison; *Employment Opportunities; Functional Literacy; Hispanic Americans; *Minority Groups; Population Growth; *Population Trends; Social Indicators; *Socioeconomic Status; Trend Analysis

ABSTRACT

This Manpower Report presents charts and graphs that reflect the increased growth of U.S. minority populations and discusses this growth in terms of population distribution and change, education, socio-economic trends, employment trends, and literacy. By the year 2000, the U.S. population will be less than 76 percent White and more than 24 percent minority. The minority student populations of Blacks, Hispanics, and Native Americans are rapidly increasing, especially in urban areas. Their school graduation rates remain low while their dropout rates continue to rise. The academic achievement of these minority students is well below that of most White students. The percentage of Blacks and Hispanic students living in poverty is high. Unwed teenage pregnancies are rising, and a recent study links academic failure with teenage pregnancies. Nearly one-half of Black households are headed by a female and more than two-thirds of all children living in female-headed households receive government assistance. Education level is linked to employment, and future workers without any post-secondary education or training are likely to find themselves employed in temporary positions or unemployed. Any discussion of employment and workers must include the serious problem of illiteracy (defined as reading below the eighth grade level) and its impact on the economy. It is estimated that 13 percent of the U.S. adult population may be illiterate and 40 percent marginally illiterate. (DJC)

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THE CHANGING FACE OF AMERICA:
POPULATION, EDUCATION AND SOCIO-ECONOMIC

ANNUAL CONFERENCE
June 23rd - 27th, 1987
San Francisco, California

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MANPOWER REPORT 87-6

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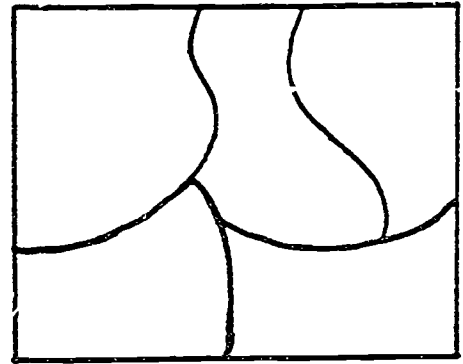


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HIGHLIGHTS*

I. POPULATION DISTRIBUTION AND CHANGE



The populations of the United States and of each State are changing. In general, the total population continues to grow slowly, from nearly 204 million in 1986 to nearly 214 million by the year 2000. Of significance is the fact that the Minority populations are becoming larger and larger components. In 1986 about 84 percent of the population was White and 16 percent was made up of Minorities -- the majority of whom were Black. By the year 2000, the U.S. population will be less than 76 percent White and more than 24 percent Minority, slightly more than half of whom will be Black. The rate of change is accelerating, particularly for Hispanics. In fact, one study shows that, if current trends continue, by the year 2080, Whites will make up only 49.9 percent of the total population; the rest will be Minorities distributed as follows: Spanish, 23.4 percent; Blacks, 14.7 percent; Asians and other, 12 percent. Also of significance is the fact that a smaller proportion of the total population will be made up of youth, the large majority of whom will be Minority members. Finally, the numbers of "at-risk" youth are increasing. (See Attachment 1 and Tables 1-4 & Map 1: pp 5-8.)

II. EDUCATION

A. Educational Enrollment and Attainment



The representation of Minorities in elementary and secondary schools is greatly increasing. Every one of the 25 largest public school systems in the U.S. now has a "Minority majority" of students. For example, in 1982, Minority representation in Chicago was nearly 84 percent; in Detroit it was 89 percent; Philadelphia was 73 percent; Cleveland was 74 percent; and St. Louis was 80 percent. (It is over 50% in Indianapolis.) (See Table 5 and Map 2: pp 9 & 10.)

Of concern are the lower graduation rates and higher dropout rates in secondary education of Black and Spanish students. Also, a higher proportion of Blacks graduate at an older age than the typical age of 17 or 18. However, while the total number of high-school graduates has been decreasing -- and is projected to continue its decline -- the number of graduating high-school Minority students has been increasing. (See Figure 1 and Map 3 on pp 10 & 11.)

The reverse image of low high-school graduation rates are the high dropout rates for Native American, Spanish and Black students, and for students from low socio-economic backgrounds, regardless of ethnicity. This latter is an important point, which is reinforced by other data on academic competency tests (e.g., see Figures 5 and 6). (See Table 6 and Figure 2 on pg 12.)

The costs of dropping out of school by any student are staggering, both to the individual and to society in general: e.g., much higher unemployment rates, relegation to lower-pay jobs and part-time work, lower productivity, lower tax

* These highlights are generated from the attached tables. For more extensive data and related materials are available from Manpower Report 86-7 "Implications of Changing Ethnic-Group Representation in the Population: United States, Midwest, Indiana and Selected Counties" (Part 2), \$5.00 plus \$1.00 postage and handling.

revenues, greater dependence upon social assistance programs, higher crime rates, higher health-care support costs, and a far greater tendency for their children to be disadvantaged, perpetuating the process. (See *Attach II* for more information: pp. 35-36.)

A high-school education issue often overlooked, is that of holding students back one or more grade levels (not getting promoted). Minority students (except for Asian Americans) are far more likely to be held back, which undoubtedly contributes to their higher dropout rates. (See *Figure 3* on pg 13.)

The college enrollment of White high-school graduates has been increasing slightly, while Minority enrollment (again except for Asian Americans) is declining. Due to high-school holdbacks and financial reasons, the average college age for Black and Spanish persons is higher than for Whites. (See *Fig. 4 & Map 4* on pg 14.)

Another crisis in American public education is the shortage of Minority teachers who can inspire Minority students to perform as well as their peers in affluent suburbs. (Much data show a parallel relationship between tested academic competence and economic status of parent(s).) (See pg 15.)

Ethnic-Minority adults (except for Asian Americans) tend to be much less-well educated than White adults. This is especially true for Native Americans and Hispanics. (See *Table 7* on pg 16.)

B. Student Academic Preparation



While student test scores in the basic (academic) skills have recovered somewhat during the past decade, there remain large gaps:

- * Students still have a "generally low level of writing proficiency".
- * Students perform poorly on math problems that require some analysis.
- * Black and Hispanic students were the least represented in high-ability groups.
- * Young Black students are making some progress, but gains in math and science were far less substantial than for reading.

There is an approximate 3 to 4-year reading proficiency gap between Black and White students: e.g., 17-year-old Blacks are reading at the proficiency level of 13-year-old Whites. Likewise, 17-year-old students (including all ethnic groups) who live in disadvantaged-urban communities are reading at a proficiency level of 13-year-old students from advantaged-urban communities. (See *Figures 5, 6 and 7* on pp 18 & 19.)

Scores of White students on the Scholastic Aptitude Tests are approximately 100 points higher in Math and about 90 points higher in Verbal tests than are Black students' scores. Scores of American Indian and Hispanics are in between, and scores of Asian Americans are the highest of all in Math and second highest in Verbal scores. However, there has been encouraging recent gains by Minorities. (See *Table 8* on pg 20.)

III. SOCIO-ECONOMIC TRENDS



The lower the SAT scores, the lower the parental contribution toward higher education tends to be. Conversely, higher parental contribution is associated with higher test scores. Blacks and Hispanics have lower SAT scores, lower median parental contributions and lower median parental income. Furthermore,

these students were far more likely to report they planned to work part-time while in college. Evidence shows most Minorities are in special need of financial aid for higher education. (See Tables 9, 10 and 11 on pp 21 & 22.) Also, see Attachment IV for "Access to Higher Education: The Experience of Blacks, Hispanics and Low Socio-Economic Status Whites: on pp. 38-39.

The percentage of people in poverty varies considerably across ethnic groups. Since 1970, approximately one in three Blacks has lived below the poverty level; Hispanics are very close to the same predicament. Overall, one in four American children lives in poverty. More than half the children living in households headed by single women are poor. A Black child is three times more likely as a White child to be born into poverty; a Hispanic child is more than twice as likely to be poor. (See Figures 8 and 9 on pg 23.)

A serious and growing problem concerns teenage pregnancies. Their babies are more likely to be premature with increased chances of major health problems. About 20 percent of these babies are likely of being either educationally retarded or "difficult to teach". In 1960, 15 percent of total births to teenagers were children of unwed mothers; by 1983, the incidence had increased to 54 percent! The birth rates (per 1,000 births) in 1982 for unmarried teenagers was 21 for White and nearly 150 for Black girls; White teenage rates are rising faster. As of June 1985, 58 percent of all Black mothers were unwed, compared to 12 percent of White mothers. (See Figure 10 and 11 on pg 24.)

A significant finding in a recent study suggests a causal link between academic failure and adolescent/teenage pregnancies. Girls with poor basic (academic) skills are far more likely to become mothers before age 16 as are those with average skills. Low-skill 18 and 19-year-olds of both sexes are much more likely than their average-skill counterparts to be parents. (See page 25.)

Nearly half of Black households were headed by a female in 1980, compared with one-fourth of White households and only one-fifth of Asian-American households. Increases in divorce rates and numbers of never-married mothers are increasing these ratios. Most Black children do not live in two-parent households, whereas about 83 percent of White children do. Finally, more than two-thirds of all children living in female-headed households receive government assistance targeted for the poor. (See Table 12 on page 26.)

IV. EMPLOYMENT TRENDS



An era has begun in which youth will eventually become in short supply; it is important to note that Minorities will comprise an increasing proportion of this supply. The military forces, employers, colleges and universities will be competing for qualified members of this ever-scarcer resource. A key point here is that employment projections are favorable for qualified youth. Many employers are now hiring only those high-school graduates who have some post-secondary training or education. (See Figure 12 on pg 27.)

The levels of attained education of adults are steadily rising, and those with higher levels enjoy much more favorable labor force participation rates (e.g., 60% participation rate of high-school non-graduates compared to 88% participation of persons with four or more years of college.) The unemployment rates for Black adults, and particularly for Black workers 16 to 19-years-old, is very much higher than for White workers. (See Tables 13 & 14 on pp 28 & 29.)

The type and occupational level of employees are related to years of school completed. For example, 69 percent of executives, managers and those in professional specialties have 4 or more years of college, whereas 54 percent of those

employed as laborers, fabricators or repairmen have fewer than 4 years of high-school. Needless to say, wages and salaries are also related to years of school completed. (See Table 15 on pg 31.)

There is a serious displacement of workers (particularly in manufacturing) as technology advances, including automation, mechanization, new materials and processes, and computer applications. These displaced workers must be retrained and find new employment. Unfortunately, those in repetitive/routine types of jobs requiring less education are most likely to be affected. Further, many jobs are changing due to advancing technology and some jobs have shorter "life cycles". Employers are concerned about the time and money it takes to keep employees' knowledge and skills current in order to be productive.



V. LITERACY

Any discussion of employment and workers must include those who cannot adequately read (or speak) the English language. Serious problems of illiteracy include the impact on the economy -- (e.g., low job skills, high unemployment, and greater time and expenses of training), as well as societal/political problems, not to mention the anguishing personal feeling and experiences.

Perhaps another perspective of the enormity of this problem can be visualized by reflecting on recent estimates that up to 13 percent of the adult population may be illiterate (defined as unable to read at the eighth grade level) and perhaps 40 percent are marginally illiterate. Other research points out that some people can "read" at that level but are unable to reason through and apply what they've read. In addition, for years foreigners have fled their countries, many unable to read, write and speak English, and some are illiterate even in their own language!

Reducing illiteracy is but one more of the challenges we face.

A WORD ABOUT THE TABLES, FIGURES AND ATTACHMENTS WHICH FOLLOW:

Pages 5 thru 33 contain the back-up details and further discussions of the highlights already presented.

In addition, there are six attachments;

- I U.S. Youth At-Risk (Page 34)
- II Here They Come, Ready or Not (Pages 35 - 36)
- III Social Costs of Dropping Out of High-School (Page 37)
- IV Access to Higher Education: Experience of Blacks, Hispanics and Low Socio-Economic Whites (Pages 38 - 39)
- V Some Extracts from "The Green Sheet" (Pages 40 - 41)
- VI Reconnecting Youth: The Next Stage of Reform (Pages 42 - 43)

I. POPULATION DISTRIBUTION AND CHANGE

In 1980, the total U.S. population numbered almost 227 million, of which over 26 million (12%) were Black, almost 6 million were Hispanic, and almost 4 million, Asian and Pacific Islander (see Table 1). The total population of the North Central U.S. Region in 1980 numbered almost 59 million (one-fourth of the U.S. total), of which 11 percent were from Minority ethnic groups, primarily Blacks. This is a smaller proportion of Minority residents than the U.S. Indiana's total population in 1980 numbered approximately 5,490,200 (9.3% of the North Central Region total). Indiana Minority-population was 9 percent of the State's total population and is largely concentrated in four large-population counties.

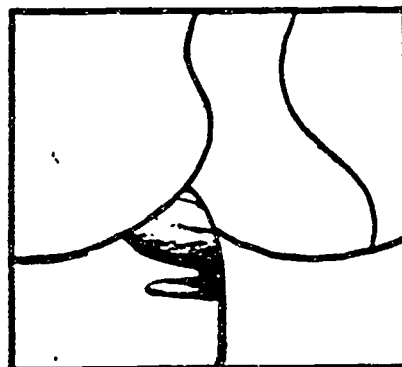


TABLE 1

1980 POPULATION BY ETHNIC GROUP FOR U.S., NO. CENTRAL REGION, INDIANA (Numbers in Thousands)

Geo- graphical Area	White		Total ^{1/}		Black		Minority Hispanic ^{2/}		Native Amer.		Asian/Pac. Isl.	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
U.S.	189,035.0	83.4%	37,694.6	16.6%	26,482.3	11.7%	5,503.7	2.4%	1,534.3	.7%	3,910.3	1.7%
No. Central Region	52,283.2	88.8%	6,582.5	11.2%	5,332.9	9.1%	582.5	.9%	271.2	.5%	435.4	.7%
Indiana	5,004.4	91.2%	485.8	8.9%	414.8	7.6%	42.7	.8%	7.8	.1%	23.4	.4%



^{1/} Estimated as all Non-Whites.

^{2/} Estimated as Total - Whites - Blacks - Native Americans - Asian/Pac. Islanders - non-Spanish "Not Elsewhere Classified", i.e., Spanish people who do not identify themselves as any of the aforementioned races: approximately 40% of all Spanish persons.

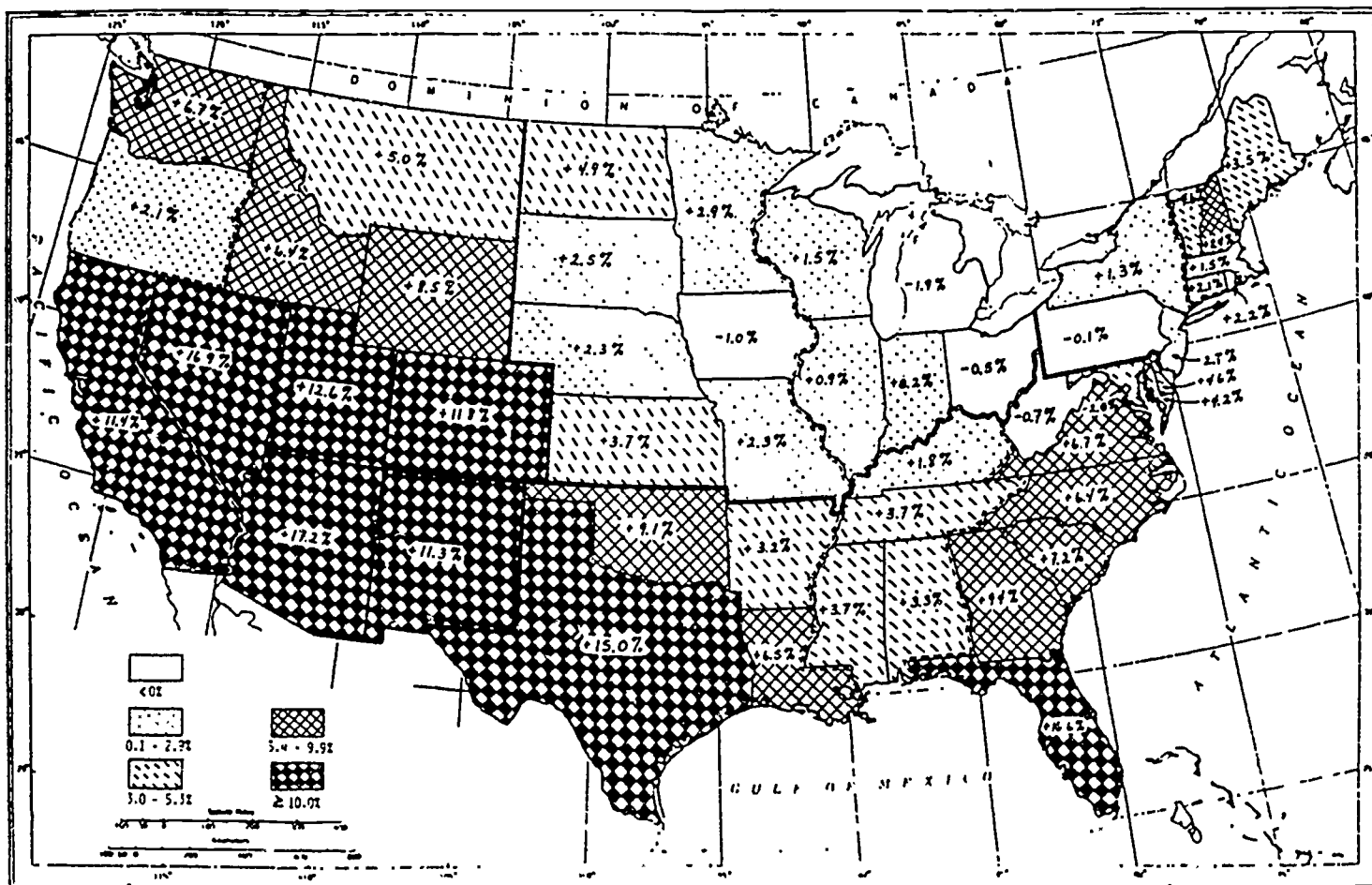
Source: 1980 U.S. Census Reports.

The population of the U.S. grew by 5.4 percent between 1980 and 1985. As shown in Map 1, 18 states had population growth greater than the U.S. in general. This greater growth occurred in the west, the southeast, and especially, the southwest, the latter probably reflecting the influx of Hispanics. The greatest reduction or least increase in population has tended to occur in previously heavily agricultural or industrial states, e.g., the Great Lakes or Plains states.

The President signed sweeping immigration-reform legislation into law on November 6, 1986. One purpose of the law is to stem the flow of illegal aliens -- estimated as high as 500,000 annually, three fourths of them from Mexico and other Latin American Countries. The U.S. also has experienced an average of about 565,000 legal immigrants each year.

MAP 1

PERCENT POPULATION CHANGE: 1980-1985 UNITED STATES



SOURCE: U.S. Bureau of the Census.

NOTE 1: Census regions are outlined by a bold line and divisions within regions are outlined by a dashed line.

NOTE 2: U.S. population change 1980-1985 was 5.4%.

The composition of the United States has been increasingly changing since 1960. The Minority populations are becoming much larger proportions of the total population (see Table 2), accentuating ethnic and cultural diversity.

The increasing Minority representation within the population is attributable to declining general birth and death rates, high immigration (of Spanish and Asian persons) and substantially higher fertility rates of Spanish and Black women than for White women.

If current patterns hold, slightly more than half of all Americans will by Hispanics, Blacks and Asians by the year 2080.

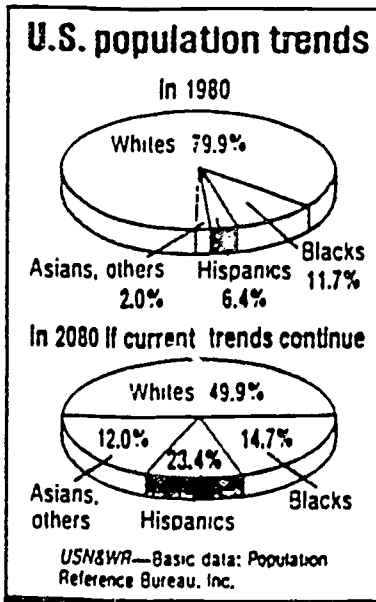


TABLE 2



U.S. PROJECTED POPULATION DISTRIBUTION BY RACE: 1984-2005
(Millions)

Year	White ^{1/}		Minority					
	Number	%	Total		Black ^{2/}		Other Minority ^{3/}	
			Number	%	Number	%	Number	%
1984	201.1	84.8%	36.1	15.2%	28.6	12.1%	7.5	3.2%
1986	203.6	83.9	39.1	16.1	29.5	12.2	9.6	4.0
1988	205.8	82.9	42.6	17.1	30.5	12.3	12.1	4.9
1992	209.5	80.6	50.3	19.4	32.3	12.4	18.0	6.9
1996	212.0	78.3	58.9	21.7	34.1	12.6	24.8	9.2
2000	213.5	75.8	68.1	24.2	35.8	12.7	32.3	11.5
2005	214.5	72.6	80.8	27.4	37.9	12.8	42.9	14.5

^{1/} Low "Assumption series": low birth rate, high life expectancy, & low net immigration. See Note below.

^{2/} Middle "assumption series": Medium birth rate, life expectancy, & net immigration.

^{3/} Estimated to best match the current and project situation: Total (High series) minus Whites (Low series) minus Blacks (Middle series). See Note below.

NOTE: Approximately 60% of Spanish persons identify their race as "White".

Source: Bureau of the Census, Projections of the Population of the United States by Age, Sex, and Race: 1983 to 2080 (Current Population Reports, Population Estimates and Projections, Series P-25, No. 952). U.S. Department of Commerce, Washington, D.C., May 1984.

Of significance to educational, political and economic planners -- is the fact that population projections show a continuing decline of younger people (age 24 and below) and an increase of older people. This phenomenon is reflected in the steady rise of the median age of the general population (at right).

MEDIAN AGE	
1980	28.7
1985	30.4
1990	31.9
1995	33.3
2000	34.7

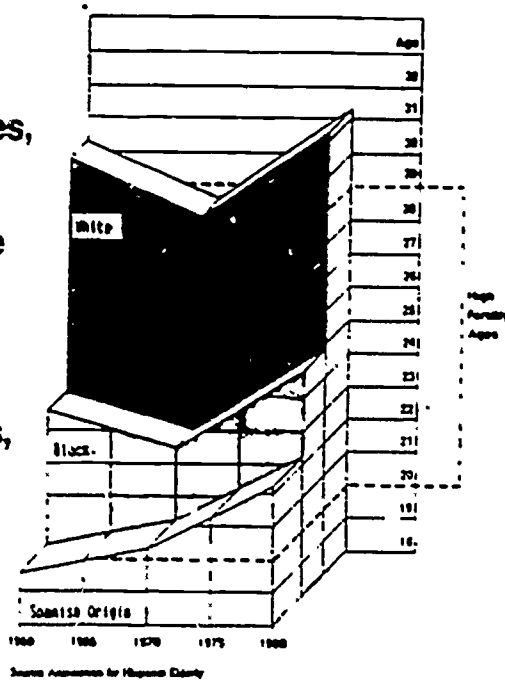
For example, projecting Indiana's population from 1980 to the year 2000, the number of younger people (ages 0 to 14) will probably decline by 6 percent, the 15 to 19 year-group will drop some 17 percent, and the number of 20 to 24 year-group will drop more than 15 percent (see Table 3). Meanwhile the 25 to 64 age-group may grow some 18 percent, and those over 65 will increase significantly. (Post-WWII baby boomers are now beginning to move into their early 40s.)

TABLE 3

POPULATION PROJECTIONS FOR INDIANA BY AGE: 1980-2000
(IN THOUSANDS)

Age Group	1980		2000		Change, '80-'00	
	Number	% Total	Number	% Total	Number	Percent
0-4	418.8	7.6%	392.8	6.7%	- 26.0	- 6.2%
5-14	887.9	16.2%	830.9	14.2%	- 56.9	- 6.4%
15-19	529.6	9.6%	440.0	7.5%	- 89.6	-16.9%
20-24	518.7	9.4%	439.0	7.5%	- 79.6	-15.4%
25-34	874.4	15.9%	804.6	13.7%	- 69.8	- 8.0%
35-49	880.4	16.0%	1279.9	21.9%	+399.5	+45.4%
50-64	795.1	14.5%	920.5	15.7%	+125.4	+15.8%
65+	585.4	10.7%	747.7	12.8%	+162.3	+27.7%
TOTAL	5490.2	100.0%	5855.5	100.0%	365.3	+ 6.7%

**Older Whites,
Younger
Minorities:
Median Age
of White,
Black, and
Spanish
Origin
Populations,
1960-1980**



The changing ethnic diversity of the population is especially prevalent among young people and the retirement-age population. In these cases a higher proportion of young people and a lower proportion of retirement-age persons are from ethnic-minority groups. Of course, this has resulted in a higher proportion of Minority women being in the fertility-age range and helps to account for the faster growth rates of minorities (see Table 4).

Of growing significance is the fact that an increasing proportion of minorities is supporting the social security of an increasing proportion of (White) retirement-age persons.

TABLE 4

NUMBER AND PERCENT OF POPULATION BY AGE AND BY ETHNIC GROUP FOR THE UNITED STATES, NORTH CENTRAL U.S., AND INDIANA: 1980

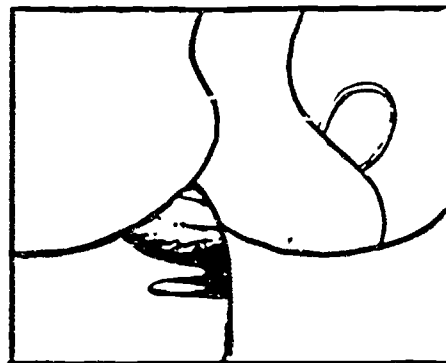
Characteristic	Geo. Area	White			Minority								
		Number <20	Number >64	Median Age	Total			Black			Hispanic		
					Number <20	Number >64	Median Age	Number <20	Number >64	Median Age	Number <20	Number >64	Median Age
Population by Age (Thousands)	U.S.	57,380.4	22,941.6	31.3	15,035.9	2,556.8	24.8	10,578.9	2,066.9	24.9	2,435.8	175.7	23.2
	N.C.	16,521.4	6,267.4	30.4	2,693.6	418.5	24.3	2,165.0	374.3	24.6	247.8	12.9	21.8
	IN	1,635.5	552.5	29.8	200.5	32.3	24.3	171.7	29.7	24.2	19.0	1.6	21.8
Percent Population by Age	U.S.	30.4%	57.5%	12.1%	39.9%	53.3%	6.8%	39.9%	52.3%	7.8%	44.3%	52.6%	3.1%
	N.C.	31.6	56.4	12.0	40.9	52.7	6.4	40.6	52.4	7.0	45.6	52.0	2.4
	IN	32.7	56.3	11.0	41.3	52.1	6.6	41.4	51.4	7.2	44.5	51.7	3.8

Source: 1980 U.S. Census Reports.

II. EDUCATION

A. EDUCATIONAL ENROLLMENT AND ATTAINMENT

Because ethnic-minority persons have a higher rate of population increase than the population as a whole, the representation of Minorities in public elementary and secondary schools is also greatly increasing. Minority representation is heightened by decreasing White enrollment. Minority representation in public elementary and secondary schools is already high in certain places, as shown in Map 2. Every one of the 25 largest public city school systems in the U.S. now has a "minority majority" of students. (See Table 5.)



MAP 2

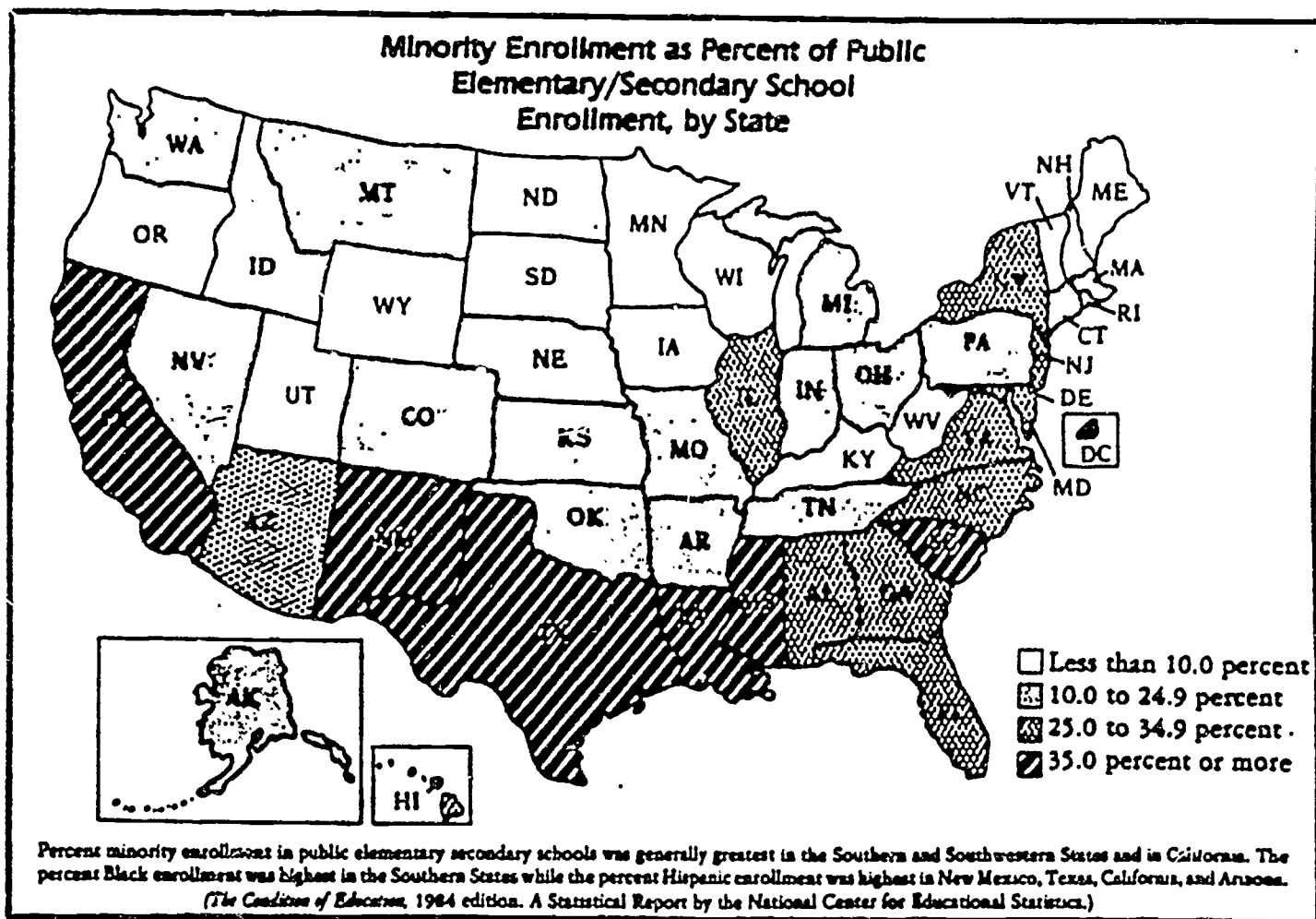


TABLE 5

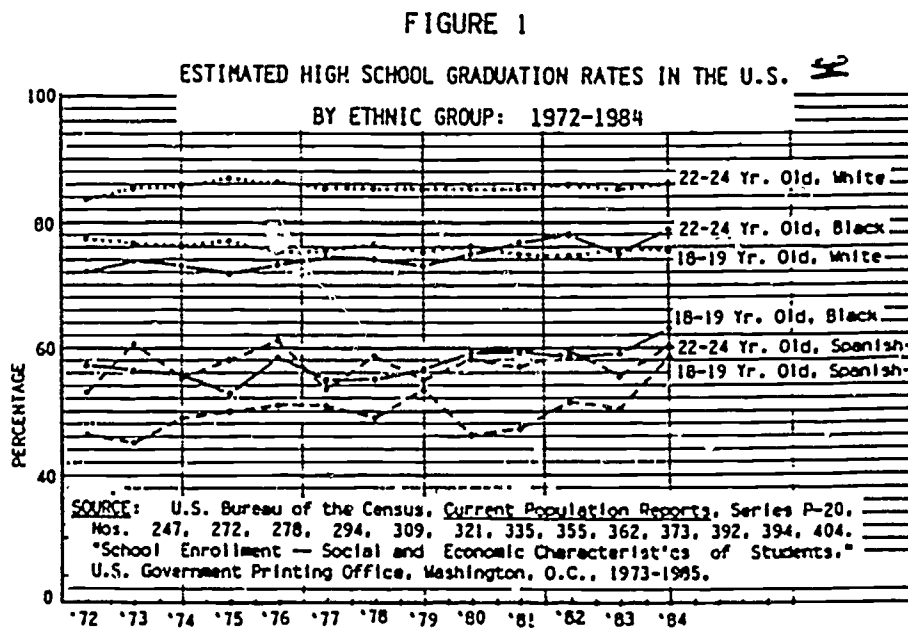
**Minority Student Enrollment of the
Twenty-Five Largest City School Systems: 1982, 1978, 1968**

	1982 Student Enrollment	Percent Minority	1978 Student Enrollment	Percent Minority	1968 Student Enrollment	Percent Minority
New York City	924 215	74.1	998 947	71.3	1 083 787	54.2c
Los Angeles	544 328	78.3	556 236	70.3	653 549	42.5c
Chicago	435 857	83	494 886	79.5	582 274	51.5c
Philadelphia	207 782	73.2	244 723	59.0	282 617	51.0
Dade County (Miami)	222 558	71.2	229 254	62	232 465	41.3
Detroit	222 989	89.1	220 657	55.8	296 097	41.2
Baltimore	19 789	79.5	49 467	77.5	192 177	65.1
Houston			142 553	70.6	246 098	46.2
Dallas	27 773	73.8	133 289	66.2	159 924	38.4
San Diego			115 007	38.3	28 914	27
Memphis	105 414	77.1	113 108	74.0	125 813	53.6
Washington D C	31 828	96.5	108 903	96.0	148 725	33.5
Cleveland	37	73.5	103 627	47.5	156 024	57.3
Milwaukee	26 332	58.1	95 522	49.43	130 445	43.9c
New Orleans	81 378	39.6	88 714	35.8	170 699	57.7c
Columbus			32 691	26.8	110 743	35.0c
Albuquerque			31 910	46.7a	9 669	37
Atlanta	57 566	92.5	76 625	30.5	111 257	51.7d
Indianapolis			33 559	43.73	108 527	37.7d
St. Louis	56 354	80.0	72 575	74.8	115 682	33.3c
Boston	55 738	73.4	77 303	60.4	94 774	77
Denver	52 327	60.6	68 830	55.6	96 577	33.4
Ft. Worth			58 224	52.5	86 528	32.7
Newark			65 575	50.7	75 360	31.3
San Antonio			63 214	37.1	79 353	77.3
Totals			4 519 334	71.0b	5 468 072	51.9b

Note
 a - By 1980 these school systems (Milwaukee, Albuquerque, and Indianapolis) were more than 50 percent minority
 b - Weighted percent minority based on total minority figure of 3 224 347 in 1973 and 2 527 079 in 1968
 c - Does not include Asian American student population amounting to about another 2 percent in New York City, 4 percent in Los Angeles, and 3 percent in Chicago
 d - Does not include Hispanic student population amounting to 1-25 percent for each school system
 SOURCE: Raw data obtained from U.S. Office of Civil Rights, Fall 1968 Racial and Ethnic Enrollment in Public and Secondary Schools; Negroes in 100 Largest School Districts, Ranked by Size, Fall 1968; Spanish Surnamed Americans in Selected Large School Districts, Ranked by Size, Fall 1968; and The 50 Largest School Districts in the Nation, 1978 Survey, released December 7, 1981. Data for 1982 obtained from the Council of the Great City Schools.

Of special concern with an increasing proportion of ethnic-minority public school students are their lower graduation rates and higher secondary education dropout rates. Although the graduation rates of Black and Spanish persons seem to have improved slightly since the mid-1970s, these groups are still well below the rate for White students (see Figure 1).

Also, there is the tendency for a higher proportion of Blacks than of Whites or Spanish persons to graduate at an older age than the typical age of 17 or 18, which is commonly used in definitions of graduation and dropout rates. Thus, approximately 15 percent of Blacks graduate from high school beyond the typical age, compared with 10 percent of Whites.



While the number of high-school graduates (and thus, potential immediate college-bound students) has substantially decreased since 1979-80 (10% decline nationally as of 1984-85) and is projected to continue its decline (see Map 3), the number of graduating high-school Minority students has been increasing both numerically and proportionately, especially among Blacks.

MAP 3

PROJECTED CHANGES IN GRADUATES, BY STATE, FROM 1981 TO 2000

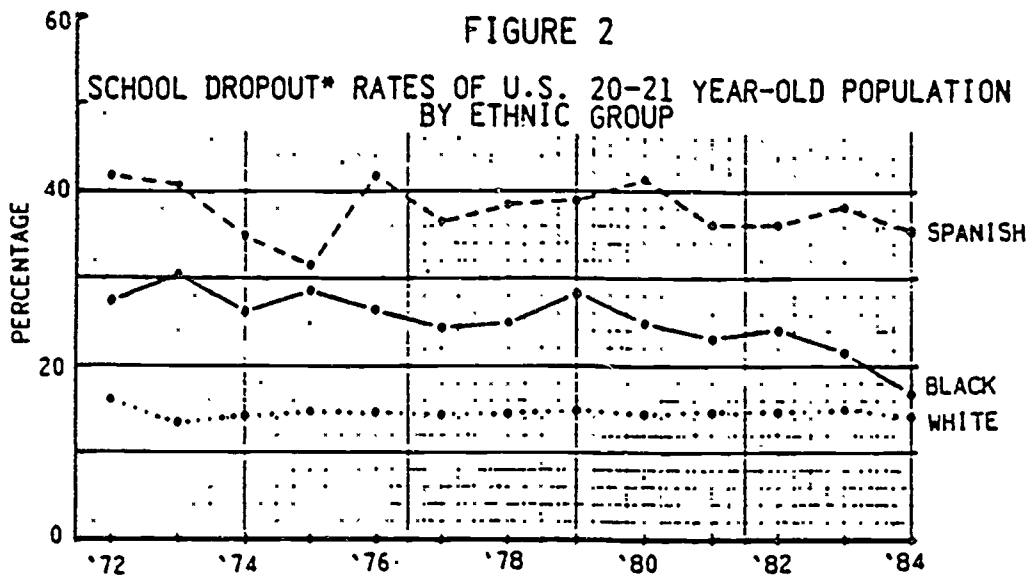


*Projections include graduates of public high schools only. All other state projections include public and nonpublic high-school graduates.

† Projections are for 1998-99.

Source: Western Interstate Commission for Higher Education. From Harold L. Hodgkinson, "Demographics and the Economy: Understanding a Changing Marketplace." The Admissions Strategist, Jan 1985, p.3.

Almost the reverse image of graduation rates are dropout or noncompletion rates (depending upon definitions). According to the 1980 Census, noncompletion of secondary school is very high for Hispanic students, as well as for Black and Native American students. The stark ethnic-group differences are evident in Figure 2, which also shows a slight decline in dropout rates for Blacks. Dropout rates for Native Americans tend to be the highest.



* Not H.S. graduate and not enrolled in school.

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-20, Nos. 247, 272, 278, 294, 309, 321, 335, 355, 362, 373, 392, 394, 404. "School Enrollment -- Social and Economic Characteristics of Students," U.S. Government Printing Office, Washington, D.C., 1973-1985.

According to information from the National Center for Education Statistics (see Table 6), dropout rates are higher for Minorities (especially Native Americans) and students from low (or "unknown") socio-economic backgrounds, from urban areas, from the west and the south (also high-Minority areas), from vocational/technical and general high-school programs, and with average or (especially) lower self-reported grades in school.

TABLE 6

**STUDENTS (SOPHOMORES IN 1980) WHO DROPPED OUT
BEFORE GRADUATION BY SELECTED BACKGROUND VARIABLES**

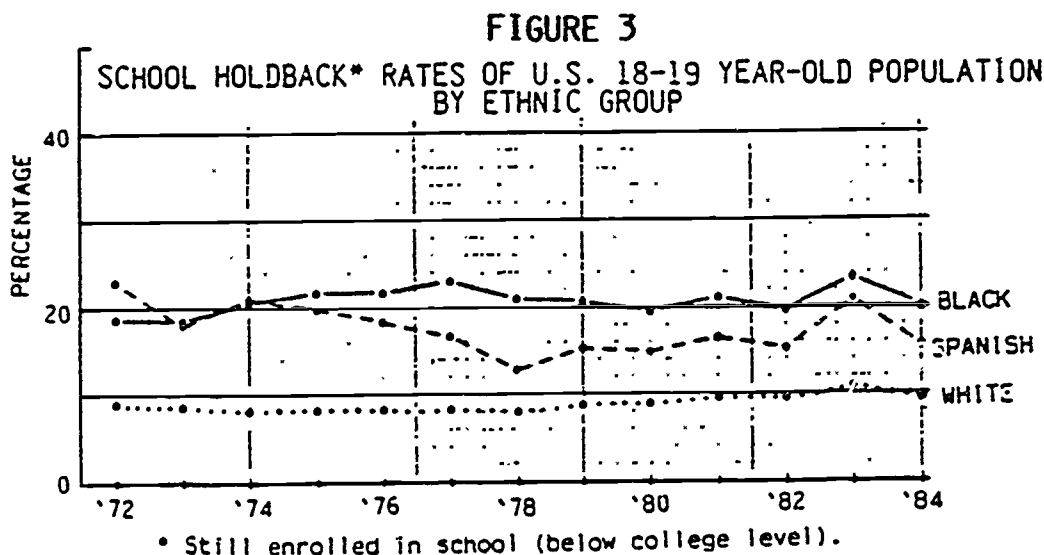
	Percent		Percent
Race/ethnicity:		Geographic Region:	
Native American....	29.2✓	Northeast.....	11.3
Hispanic.....	18.0✓	North Central.....	12.0
Black.....	17.0✓	South.....	15.2
White.....	12.2	West.....	16.6
Asian American....	3.1	High School Program:	
Socio-economic Status:		Academic.....	4.0
High.....	5.2	General.....	12.9✓
Middle.....	9.0	Vocational-technical.	15.1✓
Low.....	17.4✓	Self-reported Grade:	
Unknown.....	31.6✓	Mostly A's.....	2.9
Community Type:		Mostly B's.....	8.1
Urban.....	18.9✓	Mostly C's.....	18.5✓
Suburban.....	11.8	Mostly D's.....	42.5✓
Rural.....	12.8	All Students.....	13.6

Source: *High School and Beyond*, NCES 83-222b, National Center for Education Statistics, U.S. Department of Education.

Reported by Samuel S. Peng, *High School Dropouts: A National Concern*. Prepared for the Business Advisory Commission, Education Commission of the States, March 1985, p.8.

The costs of dropping out of school can be very high, both to the individual and to society in general (see Attachment 1): e.g., lower participation rates in the labor force, higher unemployment rates, and relegation to lower-pay jobs*, lower productivity, lower tax revenue, greater dependence upon social-assistance programs, higher crime rates, higher health-care costs, and greater tendency for children to be disadvantaged, perpetuating the process. Even during the recent economic recovery, the labor status of dropouts has been worsening (unemployment averaging 35% during the 1980's), especially for Minorities. In fact, employability of high-school dropouts is becoming increasingly bleaker.*

In addition to graduation and dropout rates, a high-school education issue that is often overlooked is that of holding students back one or more grade levels rather than promoting them. This is also important to the present study because Minority students (except for Asian Americans) are more likely to be held back rather than being promoted to the next grade. This, as shown in Figure 3, is especially true with Black and Spanish students.



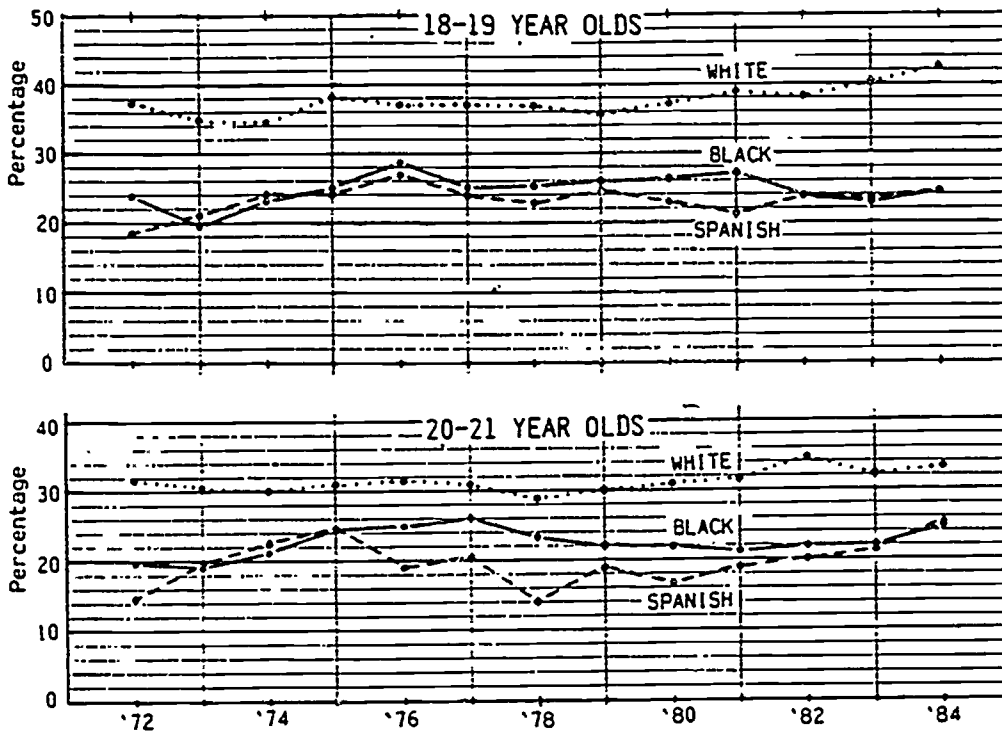
SOURCE: U.S. Bureau of the Census. *Current Population Reports*, Series P-20, Nos. 247, 272, 278, 294, 309, 321, 335, 355, 362, 373, 392, 394, 404. "School Enrollment -- Social and Economic Characteristics of Students." U.S. Government Printing Office. Washington, D.C., 1973-1985.

The college enrollment of White high-school graduates has been increasing slightly numerically and proportionately, while Minority enrollment also increased but peaked in 1980 and has since declined, especially for Black high-school graduates. Figure 4 shows the proportion of 18-19 and 20-21 year olds by ethnic group who have been enrolled over the years since 1971. For the typical recent high-school graduation age group, approximately 40 percent of Whites have been enrolled, compared with only 25 percent of Blacks and Spanish persons. However, a much higher proportion of Blacks and Spanish persons remain in secondary school past the typical age of high school graduation. These higher holdback rates are also reflected in college enrollment rates for 20-21 year olds, in which case, while White enrollment declines five percent from the previous age period, the enrollment rate of Blacks and Spanish persons remains almost constant. This would thus suggest a higher average college age for Blacks and Spanish persons than for Whites.

* Cohany, S.R. "What Happened to the High School Class of 1985?" *Monthly Labor Review*, October 1986, Vol 109 (No. 10), pp. 28-30.

FIGURE 4

COLLEGE ENROLLMENT RATE OF U.S. POPULATION BY ETHNIC GROUP

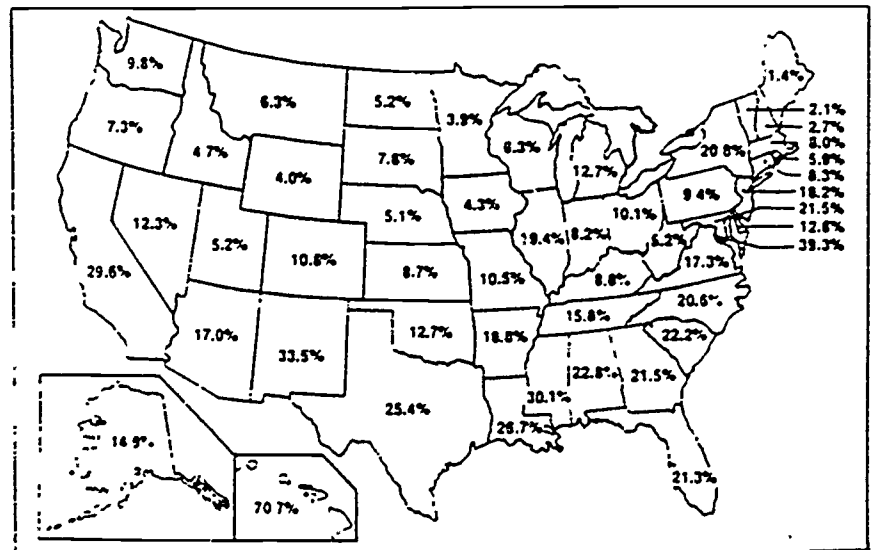


SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-20, Nos. 247, 272, 278, 294, 309, 321, 335, 355, 362, 373, 392, 394, 404. "School Enrollment -- Social and Economic Characteristics of Students," U.S. Government Printing Office, Washington, D.C., 1973-1985. See Appendix 2-C1.

MAP 4

PERCENT MINORITY ENROLLMENT* IN COLLEGES AND UNIVERSITIES BY STATE: 1984

Minority enrollment in higher education by States, as reported in The Chronical of Higher Education, are shown in Map 4. Although there is a relationship between these percentages and their population percentage counterparts, in general, Minorities are under-represented in higher education institutions.



CHRONICLE MAP BY PETER H. STAFFORD

SOURCE: DEPARTMENT OF EDUCATION

* Excluding foreign students

SOURCE: "Fact-File", *The Chronicle of Higher Education*, July 23, 1986, p.25.

A look at statistics that shape the nation

National college enrollment has been projected to decline until approximately 1994 due to aging of the Baby Boom generation. Minorities are becoming increasingly underrepresented in postsecondary education, except for Asian Americans. Of special concern is that both Blacks and Hispanics lose more ground relative to other ethnic groups at each higher level of the educational process.

An imminent crisis in American public education is a shortage of *Minority* teachers who can inspire Minority students in urban areas to perform as well as their peers in affluent suburbs.

Minority students never will be able to perform as well as White students in the suburbs unless parents get involved with their children's education. And as the Minority student population grows in urban areas, especially in the ghetto, there will be a need for more Minority teachers to be role models for those students.

In all, colleges are expected to prepare 978,000 teaching graduates to meet a demand for 1.3 million over the next six years. The outlook is especially grim for Minority recruitment. Black students constitute 16 percent of public-school enrollment, but the number of Black teachers is expected to drop to 5 percent of all teachers by 1990.

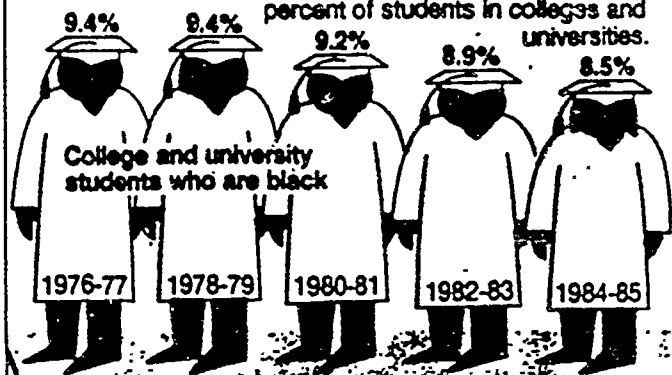
In a new book*, the author states that since the mid-1960's the U.S. has enacted sweeping civil rights laws, fought a costly war on poverty and pursued affirmative action to increase opportunities for Blacks. Millions of them, as a result, have escaped the ghetto to join the mainstream middle class. But to the consternation of scholars, officials and Blacks themselves, a seemingly ineradicable Black underclass has multiplied in inner-city neighborhoods plagued by a self-perpetuating pathology of joblessness, welfare dependency, crime and teenage illegitimacy. He also states there is a widening class division between Blacks who have escaped the ghetto and those who have not.

Fortunately, Federal funds (and some State funds) are now available to help prepare Black teachers, who hopefully will help bridge the gap.

* The Truly Disadvantaged: The Inner-City, the Underclass, and Public Policy by William Julius Wilson. (University of Chicago Press.)

Blacks in college

Today's National Conference on Blacks in Higher Education will look at ways to boost enrollment. Blacks — 13.8 percent of all USA adults aged 18-24 — make up only 8.5 percent of students in colleges and universities.



Source: Department of Education

By Julie Stacey, USA TODAY



BLACK TEACHERS

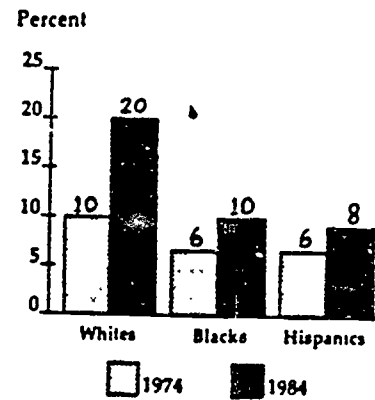
% OF ALL TEACHERS

Year	Percentage
1970	12%
1986	< 8%
1990	5%

With the rapidly increasing ethnic-minority populations, there is growing concern about the relatively low educational level that has been achieved by adults. Except for Asian Americans (who tend to be well-educated), ethnic-minority adults tend to be much less-well educated than White adults. This is especially true for Spanish persons and Native Americans.

Of the 132.8 million adults 25 years of age or older in the United States in 1980, almost one-third had obtained at least one year of post-high-school education. However, much higher percentages of Whites and Asian Americans obtained at least one year of higher education than did Hispanics, Blacks or Native Americans (see Table 7 and histogram).

U.S. Adults with College Degrees



Source: Bureau of Census, "Population Profile of the United States, 1983/84," and unpublished data. Based on adults 25 years and older.

April 1986

TABLE 7
HIGHEST EDUCATIONAL LEVEL ATTAINED
BY ADULTS (≥ 25 YRS.) BY ETHNIC GROUP: 1980

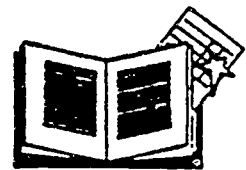
	United States				
	Elem. 0 - 8	High School		College	
		1 - 3	4	1 - 3	4+
Total	18.3%	15.3%	34.6%	15.7%	16.2%
White	16.6	14.6	35.7	16.0	17.1
Black	27.0	21.8	29.3	13.5	8.4▲
Hispanic	45.7	16.4	22.0	10.4	5.5▲
Native Amer.	25.0	19.5	31.3	16.5	7.7▲
Asian Amer.	16.4	8.8	24.7	17.2	32.9

	North Central Region				
	Elem. 0 - 8	High School		College	
		1 - 3	4	1 - 3	4+
Total	17.1	14.9%	38.6%	14.7%	14.7%
White	16.5	14.2	39.5	14.6	15.2
Black	21.3	23.8	31.4	15.6	7.9
Hispanic	46.2	16.3	22.0	9.4	6.1
Native Amer.	22.2	23.0	33.2	15.1	6.5
Asian Amer.	12.9	7.3	18.2	14.6	46.9

	Indiana				
	Elem. 0 - 8	High School		College	
		1 - 3	4	1 - 3	4+
Total	16.6%	17.1%	41.7%	12.1%	12.5%
White	16.1	16.6	42.4	12.1	12.8
Black	21.0	24.7	34.3	12.9	7.0
Hispanic	41.5	16.6	26.8	8.9	6.3
Native Amer.	21.5	24.2	33.3	14.4	6.7
Asian Amer.	13.3	9.1	19.5	12.0	46.0

Source: 1980 U.S. Census Reports.

B. STUDENT ACADEMIC PREPARATION



The past fifteen years has been a period of change and turmoil in American education. The social and educational reforms of the late 1960s and early 1970s were followed first by the back to basics movement and, later, by the reaffirmation of traditional academic goals as the central focus of schooling. The trends in reading proficiency between 1971 and 1984 suggest that these broad movements have indeed improved student achievement.^{1/}

While student test scores in the basic skills have rebounded from a long slide to levels of a decade ago, there remain large gaps in the education of America's children....

- A 1984 National Assessment of Educational Progress study of student writing found a "generally low level of writing proficiency," despite five years of steady improvement.

- In a 1982 U.S. study of math skills, students performed poorly on problems that required some analysis and ability to sort through information.

- In the latest international study of mathematics, 12th graders in the U.S. scored much lower than Japanese students and well below the mean score of 15 industrialized nations.^{2/}

In a major study of access to higher education in 1980,^{3/} it has been found that 7 of 10 "high-ability" high-school seniors were still attending college two years after high-school graduation, compared to only one of four "average-ability" seniors. High-ability seniors have also been twice as likely to major in technical fields than average-ability seniors. Moreover, students attending four-year colleges have scored higher on high-school senior-year achievement tests than their two-year-college counterparts. Of special importance to the present report is the observation that Black and Hispanic students were the least represented high-school seniors in the high-ability group.

In an examination of the educational status of Black Americans,^{4/} the College Entrance Examination Board observed the following:

- The educational performance of Black students in elementary and secondary schools, as measured by standardized achievement test scores, rose in many areas over the decade of the 1970s, but it remained lower than that of non-Blacks by 1980.

- The strongest gains in mathematics and reading test scores were registered by young Black students, particularly those from urban, disadvantaged communities...

- However, gains in mathematics and science were far less substantial than for reading, and Black 17-year-olds showed stable or declining scores on achievement measures in reading, mathematics, and science.

^{1/} National Assessment of Educational Progress, *The Reading Report Card: Progress Toward Excellence in our Schools* (Report No. 15-R-01). Princeton: Educational Testing Service, 1985.

^{2/} Lucia Solonano, Dan Collins, Mary Galligan, Steve L. Hawkins, & Sarah Peterson. "Teaching in Trouble", *U.S. News & World Report*, May 26, 1986, pp. 52-57.

^{3/} Valerie Lee, *Access to Higher Education: The Experience of Blacks, Hispanics and Low Socio-Economic Status Whites*. Washington, D.C.: American Council on Education, Div. of Policy Analysis and Research, May 1985.

^{4/} The College Board, *Equality and Excellence: The Educational Status of Black Americans* (Draft). New York: The College Entrance Examination Board, Jan. 1985.

• Black students of all ages performed better in the area of mathematical knowledge (factual recall) than in the area of mathematical skills (performing computations and manipulations), and least well in the area of mathematical applications (the ability to solve problems and use mathematical reasoning).

There is an approximate 3 to 4-year reading proficiency gap between Black and White students: e.g., 17-year-old Blacks are reading at the proficiency level of 13-year-old Whites. Likewise, 17-year-old students who live in disadvantaged-urban communities are reading at a proficiency level of 13-year-old students from advantaged-urban communities.

However, Minority and disadvantaged-urban students experienced marked improvements between 1971 and 1984 in their reading proficiency levels and have narrowed the gap between their performance and that of White and advantaged-urban students. However, these students are in need of still further improvements in that the reading proficiency of Black and disadvantaged-urban students is far below that of White and advantaged-urban students. As suggested by other data, these proficiency deficiencies are probably similar for other abilities or subject areas.

FIGURE 5

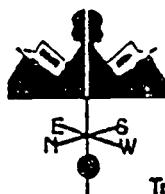
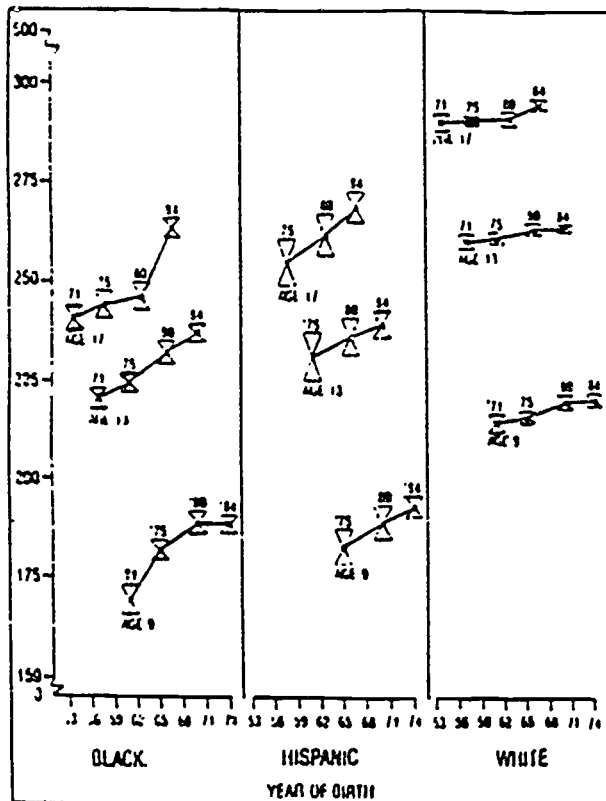
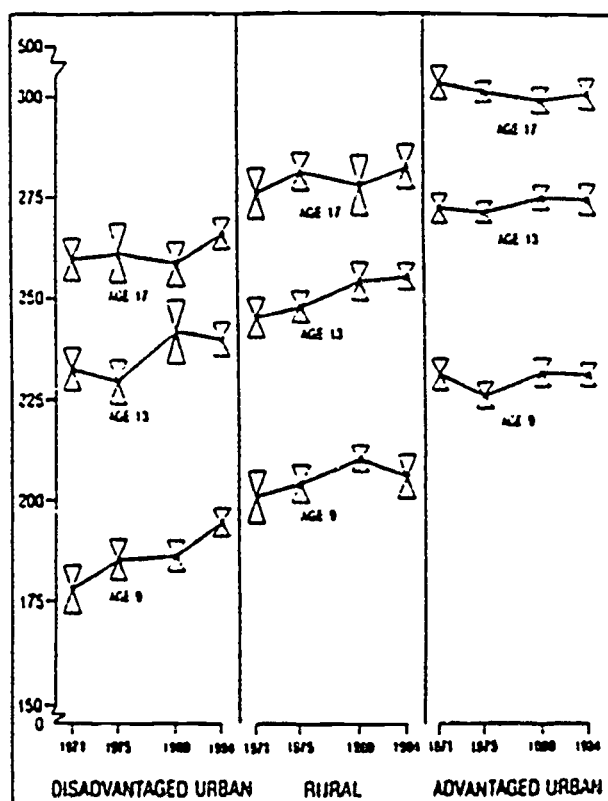


FIGURE 6

Trends in Average Reading Proficiency for White, Black, and Hispanic Students by Year of Birth



Trends in Average Reading Proficiency for Type of Community



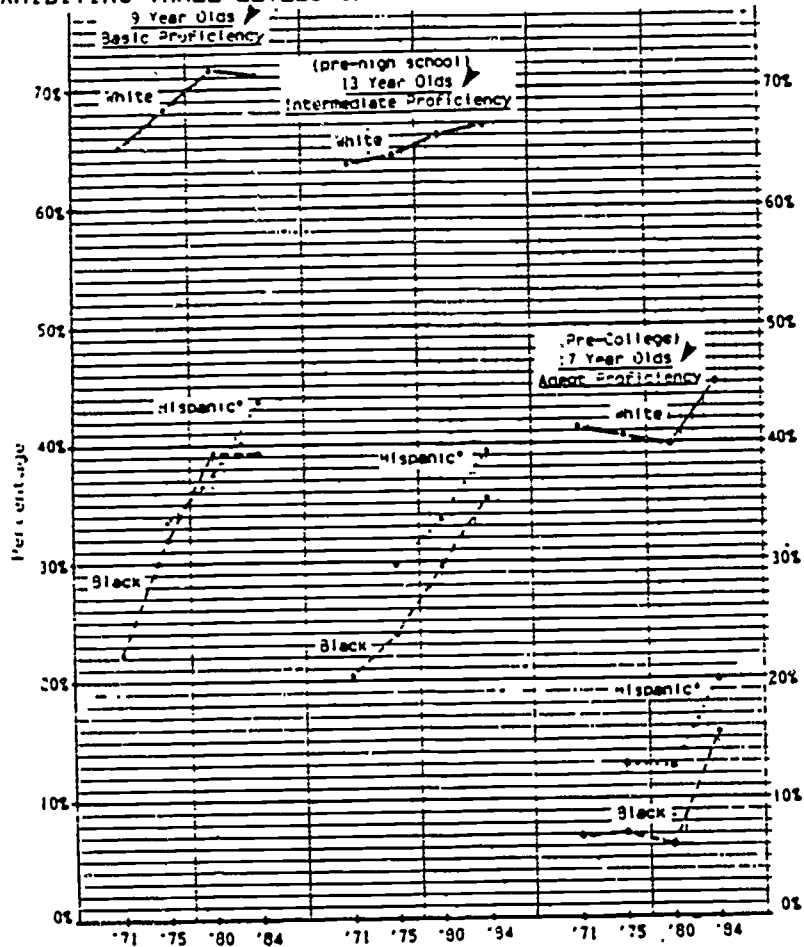
⊠ = estimated population mean reading proficiency and 95% confidence level. It can be said with 95% certainty that the mean reading proficiency is within this interval.

A comparison of three levels of reading proficiency by age and ethnic group (see Figure 7) reveals:

- A gradual improvement from 1971 to 1984,
- More White students score higher at all grade levels,
- Lower proportions of students score at each higher level, and
- Only 15 percent of Black and 20 percent of Hispanic (pre-college age) 17-year-olds attain an "adept reading proficiency", as compared to 45 percent of White students.

FIGURE 7

PERCENT OF STUDENTS BY AGE AND ETHNIC GROUP EXHIBITING THREE LEVELS OF READING PROFICIENCY: 1971-1984



* No Hispanic data for 1971.

Basic Proficiency -- understand specific or sequentially-related simple information;

Intermediate Proficiency -- search for specific information, interrelate ideas, make simple generalizations;

Adept Proficiency -- find, understand, summarize, and explain relatively complicated information.

SOURCE: National Assessment of Educational Progress, The Reading Report Card: Progress Toward Excellence in Our Schools. (Report No. 15-R-01). Princeton: Educational Testing Service, 1985. (See Attachment IV.)

Since hitting a low in 1980, scores on the College Entrance Examination Board's Scholastic Aptitude Tests (SATs) have gradually increased through 1985. Although the greatest increases have occurred for Minority students (those who anticipate a college education), Minority scores are still well below those for White students. The exception is Asian Americans, who are comparable to White students. Although students since 1980 have been achieving improved SAT scores, their scores still remain below the peak achieved in 1963. White score means are still slightly below 1976 averages, while score means for Minority groups (especially Blacks, Hispanics, and American Indians) are appreciably higher than their 1976 averages.

In 1985 the highest Math scores were attained by Asian-Americans, followed by White students (see Table 8). Whites had the highest Verbal scores, followed by Asian Americans. The Math and Verbal scores of Black students were lowest. In nearly all cases, Indiana student scores were below those of the U.S. There are two exceptions: the Asian Americans and Hispanics in Indiana score higher in the Verbal tests than the U.S. Although White students in Indiana averaged more than 20 points below the U.S., Minorities in Indiana were only four points below the U.S.

TABLE 8
SAT SCORE COMPARISONS FOR THE U.S. AND INDIANA
BY ETHNIC GROUP: 1985

	Verbal		Math		Total	
	U.S.	IN.	U.S.	IN.	U.S.	IN.
All STUDENTS	431	415	475	460	906	875
Whites	449	425	491	470	940	895
<u>MINORITIES</u>	359	355	411	407	770	762
Blacks	346	336	376	369	722	705
Hispanics	377	383	423	418	800	801
Mexican Amer.	382	380	426	420	808	800
Puerto Ricans	368	389	419	415	787	804
Amer. Indians	392	386	428	427	820	813
Asian-Americans	404	426	518	515	922	941
Other	391	380	448	436	839	816
No (ethnic) Response	NA	380	NA	420	NA	800

Source: The College Board.

III. SOCIO-ECONOMIC TRENDS

Average SAT scores are positively related to parental income and contribution. The lower the SAT average scores, the lower parental contribution toward higher education tends to be. Conversely, higher parental contribution is associated with higher SAT average scores.

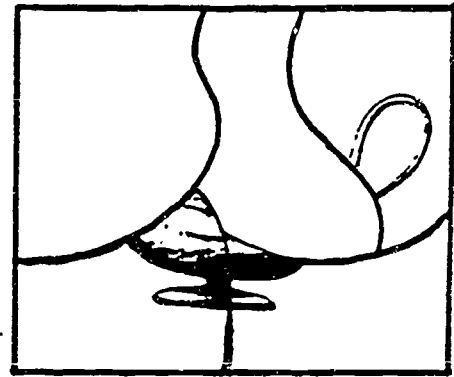


TABLE 9

PERCENT OF U.S. COLLEGE-BOUND STUDENTS IN SAT AVERAGE SCORE INTERVALS BY ESTIMATED PARENTAL CONTRIBUTION TO HIGHER EDUCATION: 1985

Parental Contribution	SAT AVERAGE			
	Below 400	400-499	500-599	600 or Over
\$0	31.0%	18.6%	13.7%	9.9%
\$1-999	18.5	16.8	14.4	11.4
\$1000-1999	13.4	14.3	13.5	11.8
\$2000-2999	8.4	9.8	10.0	9.3
\$3000-3999	5.9	7.3	7.7	7.5
\$4000-4999	3.6	5.1	5.9	6.4
\$5000-5999	4.4	5.5	6.2	6.8
\$6000-7999	5.9	9.0	11.1	13.8
\$8000 & Over	8.9	13.5	17.4	23.1
Median Contrib.	\$1007	\$2060	\$2841	\$4054

It is important to remember here that Blacks and Hispanics, compared with Whites, have lower average SAT scores, lower median parental contribution, and lower median parental income.

TABLE 10

MEDIAN INCOME LEVELS FOR U.S., MIDWEST AND INDIANA FAMILIES: 1979, 1981, 1983, 1985

	U.S.		Midwest		Indiana	
	White	Minority	White	Minority	White	Minority
<u>Per Capita Income,</u>						
1980 Census.....	\$ 7,929	\$ 4,761	\$ 7,825	\$ 4,875	\$ 7,451	\$ 5,362
<u>Family Income:</u>						
1980 Census (1979)..	\$20,835	\$14,446	\$21,462	\$16,113	\$20,805	\$16,748
1981 Coll-Bound Sen.	26,000	16,411	28,500	21,023	24,500	18,984
1983 Coll-Bound Sen.	31,200	20,361	33,200	25,865	28,400	22,111
1985 Coll-Bound Sen.	34,700	22,843	36,300	26,077	30,800	23,473

Sources: 1980 Census Reports; College Board College-Bound Seniors.

The low median-income levels of Blacks and Hispanics results from their concentration in occupations which require low skill levels. Income differences are also attributable to such characteristics as educational level, language fluency, time in the U.S., work experience, age, military experience, health and government employment.

According to self-reports of students, the income of Whites was significantly higher than that of Minorities for the U.S., the Midwest and Indiana (see Table 10). Median parental income was especially low for Blacks (U.S., Midwest and Indiana); 30 to 34 percent of Blacks had income less than \$12,000, compared to less than 10 percent of Whites (see Table 11).

Financial contribution to education of Whites was expected to be significantly higher than that of Minorities for U.S., Midwest and Indiana students. Contributions would be especially low for Black students in all three geographic areas (i.e., almost nonexistent). Contributions would also be low for Hispanic students.

The ratio of estimated contributions to income were significantly lower for Blacks and Hispanics than for Whites -- but especially for Blacks. The Midwest ratio was higher than the U.S. ratio.

Plans for requesting part-time work varied between 35 and 55 percent of the students across ethnic groups and geographical areas. Black and Hispanic students tended to desire part-time work to a greater extent than the other ethnic groups. Thus, in general, Minorities are in special need of financial aid for higher education.

TABLE 11

FINANCIAL STATUS OF COLLEGE-BOUND HIGH-SCHOOL SENIORS FOR THE UNITED STATES, THE MIDWEST, AND INDIANA: 1985

	Geo. Area	White	Black	Hispanic	Oriental American
Ethnic representation of respondents to College Boards's ATP Student Descriptive Questionnaire	U.S.	75.7%	8.4%	3.2%	4.5%
	MW	85.6	6.7	1.0	2.3
	IN	87.2	5.8	1.3	1.0
Median parental income	U.S.	\$34,700	\$17,100	\$19,378	\$26,400
	MW	36,300	19,900	26,325	38,300
	IN	30,800	18,200	25,107	27,600
Percent with parental income \geq \$30,000	U.S.	60.4%	23.3%	28.8%	44.4%
	MW	64.4	29.7	39.7	63.5
	IN	52.3	24.5	34.0	46.8
Percent with parental income < \$12,000	U.S.	7.2%	33.9%	28.3%	20.6%
	MW	6.0	29.5	17.0	11.1
	IN	9.1	30.8	15.6	19.9
Median parental contribution	U.S.	\$2,590	\$0	\$166	1,020
	MW	2,790	380	986	2,880
	IN	1,820	170	620	1,280
Ratio of median parental contribution to income	U.S.	7.5%	0.0%	0.9%	3.9%
	MW	7.7	1.9	3.7	7.5
	IN	5.9	0.9	2.5	4.6
Percent Planning to Seek Part-time work	U.S.	38.0%	50.4%	44.0%	39.3%
	MW	40.1	54.8	51.3	39.6
	IN	41.4	55.4	53.7	34.6

Sources: College-Bound Seniors, 1985: National, Midwestern, and Indiana Reports, College Board, Admissions Testing Program, 1985.

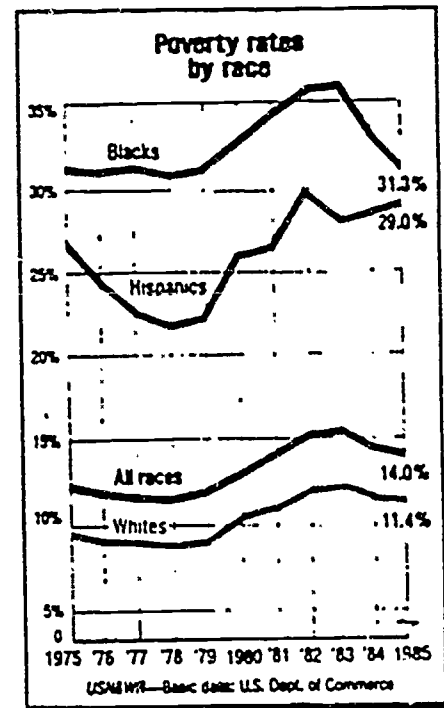
U.S. - United States, MW - Midwest, IN - Indiana

FIGURE 8

The percentage of people in poverty varies considerably across ethnic groups. Since 1970, approximately one in three Blacks has lived with an income below the poverty level (see Figure 8). Although the percentage of all U.S. people living below poverty level decreased during 1984 and 1985 (including Blacks), the percentage of Hispanics actually increased slightly, bucking the trend.

Any family of four earning less than \$10,609 in 1984 was considered poor. In the U.S. in 1984, 11.5 percent of Whites were below poverty level, as were 33.8 percent of Blacks and 28.4 percent of Hispanics. However, in 1985 these poverty rates declined to 11.4 percent for Whites and 31.3 percent for Blacks but increased to 29.0 percent for Hispanics.

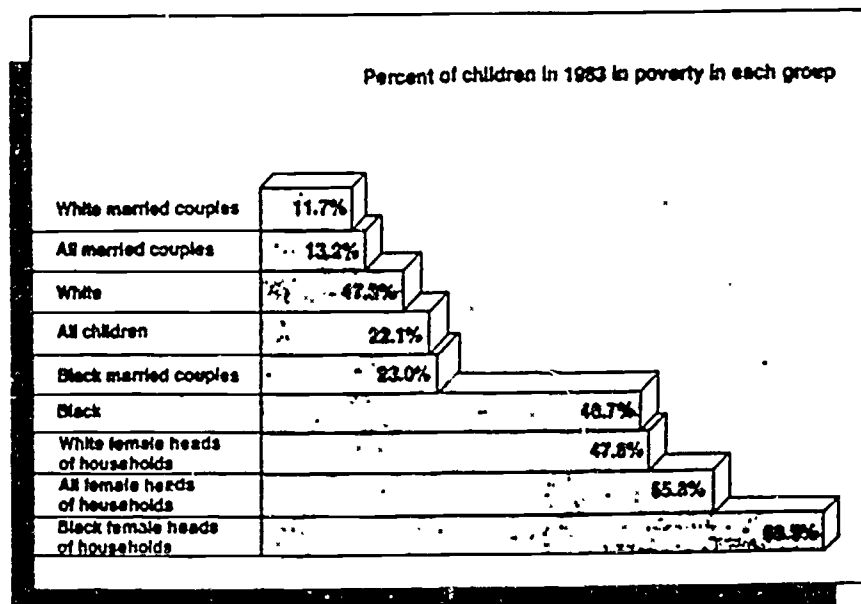
About one in four American children lives in poverty; they are the largest group of impoverished Americans. More than half the children living in households headed by single women are poor. A Black child is about three times as likely as a White child to be born into poverty; a Hispanic child is more than twice as likely to be poor (see Figure 9).



Source: "1985 Winners and Losers: Progress and Poverty," *U.S. News & World Report*, Sept. 8, 1986, pp.8-9.

FIGURE 9

The Hierarchy of Poverty



Source: "Here They Come, Ready or Not," *Education Week (Special Report)*, May 14, 1986, Vol. 9 (No. 34), pp.27.

Because the poverty rate is highest for children of female heads of households, it is also critical for unwed teenage-mother subfamilies. Not only do such subfamilies constitute a marked financial strain on the larger family and its income earners, but they also constitute a potential educational strain on the children themselves, putting the children at risk economically as well.

Teen-age mothers tend to give birth to children who are premature, leading to low birth weight, which increases these infants' chances of major health problems and is a good predictor of major learning difficulties when the child gets to school. About 700,000 babies of the annual cohort of around 3.3 million births are almost assured of being either educationally retarded or "difficult to teach." This group is entering the educational continuum in rapidly increasing numbers.

In 1960, 15 percent of total births to teenagers 15 to 19 years of age were children of unwed mothers; by 1983, the incidence had increased to 54 percent. However, between 1970 and 1982, although the teenage pregnancy rate has increased, the actual birth rate has decreased. This decrease is due to an increase in the abortion rate. Moreover, while the illegitimacy rates for Black teenagers has decreased slightly, those for White teenagers have increased (see Figures 10 and 11). As of June 1985, according to the Census Bureau, 58 percent of all Black mothers were unwed, compared to 12 percent of White mothers.

FIGURE 10

An Epidemic of Pregnancy: Teen-age Pregnancy Rate and Outcomes: 1970-1982

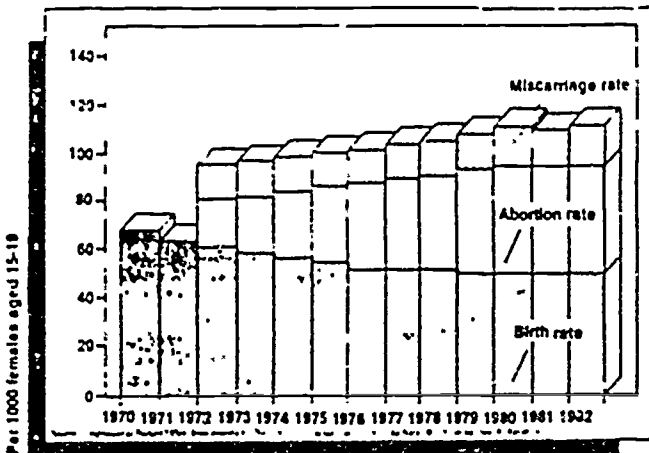
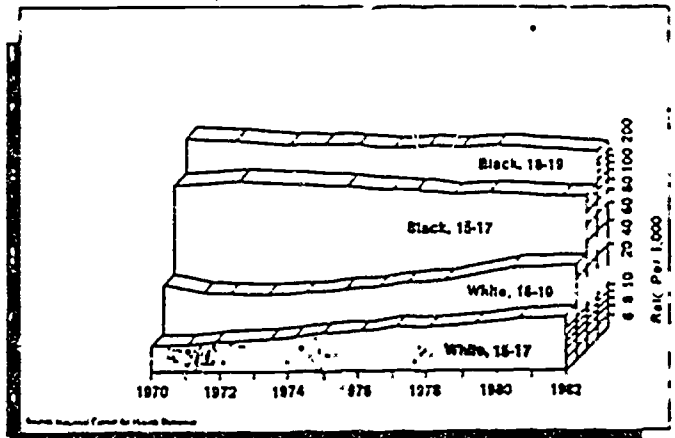


FIGURE 11

... And Illegitimacy: Birth Rates for Unmarried Women, 15-17 and 18-19: 1970-1982



Source: "Here They Come, Ready or Not," *Education Week* (Special Report), May 14, 1986, Vol. V (No.34), pp.13-37.

Babies born to teens in 1985 will cost the United States \$5.2 billion by the time they reach adulthood. Sixty percent of the teenage girls who keep their babies will receive assistance from Aid to Families with Dependent Children. More than half the teens who become mothers before 18 will not finish high-school. Two-fifths of the men who become fathers before 18 will not finish high-school, and, if they go on to college at all, they are only half as likely as other male high-school graduates to complete college. Ultimately these teens' lack of education forces them to take lower paying jobs.

A recent study by the Children's Defense Fund,^{5/} based on the Labor Department's National Longitudinal Survey of Young Americans, suggest, a causal link between academic failure and adolescent pregnancies. Among its findings:

- Girls with poor basic skills are five times as likely to become mothers before age 16 as are those with average basic skills;
- Young women with poor or fair basic skills are three to four times as likely as those with average skills to have more than one child while in their teens -- a pattern that remains consistent for Black, White and Hispanic teenagers;
- Low-skill 18 and 19-year-olds of both sexes are two and one-half to three times as likely as their average-skill counterparts to be parents.

The authors of "Preventing Adolescent Pregnancy: What Schools Can Do" state, "Many disadvantaged youths sense that they have nothing to lose by becoming parents. They feel no doors will be closed by teen pregnancy because they believe from the outset that no doors are open to them." These are youngsters whose academic shortcoming and self-esteem make them, in their own eyes, failures even in comparison with their socio-economic peers.



^{5/} Charles H. Smith, *Sermonettes in Public Education: (Discussion Paper I, "The Black Educational Crisis: Students Failing & Dropping Out")*, 205 DeKalb Avenue, Brooklyn, New York 11205.



There is extensive variation among ethnic groups in household structure and composition (see Table 12). The 1980 U.S. Census found that almost half of the Black households were headed by a female, compared with one-fourth the White households and one-fifth the Asian-American households.

The structure of Black households has changed markedly since 1970, partly as a result of dramatically increased divorce rates and partly due to increases in the numbers of never-married mothers. Between 1970 and 1982, female-headed households increased from 28 percent to 41 percent of all Black households.

The number of persons per household also varies considerably across ethnic groups. Hispanics tend to have the largest families, and Whites, the smallest.

Most Black children in the U.S. do not live in two-parent households. In 1982, only 43 percent lived with two parents, a two percent decrease in two years. Moreover, in 1982 almost half (48%) of all U.S. Black children 18 years of age or younger lived in households below the poverty line, compared to one of six White children.

Finally, in households headed by a female, unemployment rates are much higher for Blacks and Hispanics than for Whites. This is especially problematic because of larger Black and Hispanic households depending upon the mother's income (or welfare). Furthermore, while more than two-thirds of children living in female-headed households received government assistance targeted for the poor in the fourth quarter of 1984, the percentage was even higher (85%) for Black and Hispanic female-headed households.


TABLE 12


FAMILY/HOUSEHOLD CHARACTERISTICS IN THE UNITED STATES,
AND NORTH CENTRAL U.S., ETHNIC GROUP: 1980

Characteristics:	White		Minority							
			Total ^{1/}		Black		Hispanic ^{2/}		Asian & Pac.	
	U.S.	N.C.	U.S.	N.C.	U.S.	N.C.	U.S.	N.C.	U.S.	N.C.
# Households (Th)	68,991.3	18,881.1	11,476.1	2,066.3	8,413.2	1,724.2	1,482.6	146.4	1,062.9	119.7
# Fem. Heads (Th)	17,783.2	4,682.2	4,519.2	873.4	3,728.7	789.8	406.9	33.4	224.4	24.4
Percent	25.8%	24.9%	39.4%	42.3%	44.3%	45.8%	27.4%	22.6%	21.1%	20.4%
# persons										
<18 yrs. (Th)	50,399.6	14,519.0	13,392.7	2,414.0	9,406.9	1,936.6	2,171.4	222.0	1,125.0	145.3
% Living with 2 Parents	82.9%	84.8%	53.4%	48.3%	45.4%	41.5%	68.3%	73.8%	84.7%	88.1%
Fem. H'holder (No Husband):										
Number (Th)	5,448.6	NA	2,716.6	NA	2,272.1	NA	279.0	NA	88.2	NA
% Unemployed	3.8%	--	6.8%	--	7.1%	--	5.7%	--	3.5%	--
% w. 0 Workers	19.2%	NA	29.1%	NA	28.5%	NA	38.4%	NA	16.9%	NA

^{1/} Estimated as all non-Whites.

^{2/} Estimated as Total - Whites - Blacks - Native Americans - Asian/Pac. Islanders - Non-Spanish "Not Elsewhere Classified", i.e., Spanish people who do not identify themselves as any of the aforementioned races.

Source: 1980 U.S. Census reports.

IV. EMPLOYMENT TRENDS

Demographic changes resulting from the rapidly increasing representation of Minorities within the population will continue to have a significant impact on the labor force structure and employment. This is especially important because we are entering an era in which youth will be in short supply throughout the Nation while Minorities will comprise an increasing proportion. For the next 15 years at least, we will have to work harder with the limited number of young people we work with. We cannot afford to let any of this scarce resource remain undeveloped or underdeveloped.

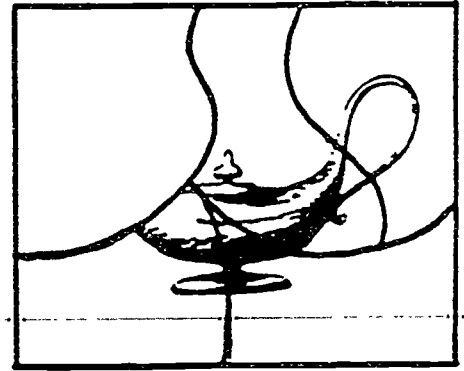
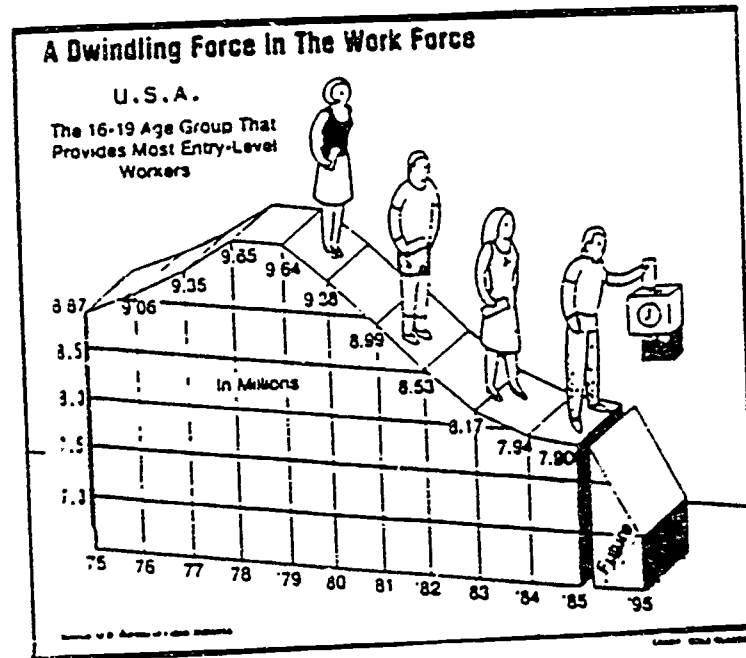


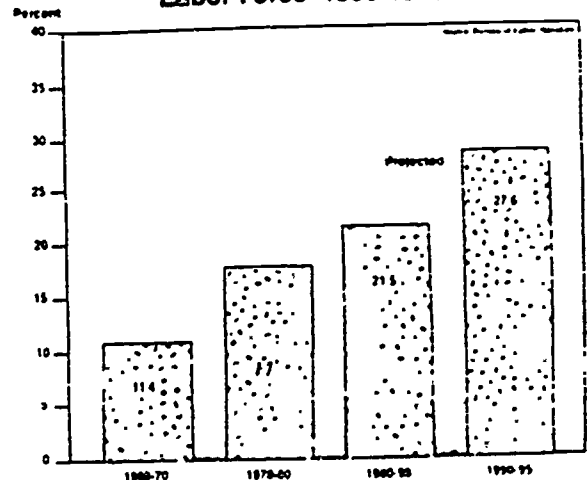
FIGURE 12



The highest national labor force participation rates are associated with Asian-Americans and Hispanics, and the lowest, with Native Americans and Blacks. However, although Blacks have some of the lowest participation rates, they are representing an increasing proportion of the labor force (see Figure 13).

The higher participation rate for Hispanics has been attributed by some economists to the younger average age of Hispanics because of higher participation rates among younger, as opposed to older, adults.

FIGURE 13
Black Workers: Percent Share of Labor Force: 1960-1995



Source: "Here They Come, Ready or Not," *Education Week* (Special Report), May 14, 1986, Vol. 5 (No. 34), p. 31.

Employment levels vary greatly across levels of attained education. This is especially evident among teenagers when high-school graduates and dropouts are compared. In 1982, 21 percent of White graduates were unemployed, compared with 36 percent of dropouts. For Blacks, the rates were 58 percent of graduates and 71 percent of dropouts. One reason for higher Black rates is probably the lower academic proficiencies of Blacks, even among high-school graduates. Similarly, in 1985, 50 percent of White teenagers were employed, compared with 33 percent of Hispanic teenagers and only 24 percent of Black teenagers.

Significant differences in labor force composition and employment levels also exist for adults 25 through 64 years of age. According to the Bureau of Labor Statistics, the educational level of the civilian labor force has been increasing, both for Whites and for Minorities (see Table 13). Between 1975 and 1985, the labor force has included a decreasing percentage of high-school non-graduates and increasing percentages of persons who have some college experience, especially four or more years for Whites and some-college-only for Blacks and Hispanics. Nevertheless, the educational levels of Blacks and Hispanics still remain well below that of Whites. Significantly, the proportion of Black adults in the civilian labor force with less than four years of high-school is nearly twice as large as it is for White adults (26% vs. 15%), and the proportion of Hispanic adults with less than four years of high-school is nearly three times that of Whites (44% vs. 15%).

A pronounced difference also exists in labor force participation rates across levels of attained education (see Table 13). Accordingly, the higher the level of attained education, the higher the rate of participation in the labor force (e.g., 60% participation of high-school non-graduates in the labor force in 1985, compared to 88% participation of persons with four or more years of college).

TABLE 13

LABOR FORCE AND LABOR FORCE PARTICIPATION RATES FOR PERSONS
25 TO 64 YEARS OLD BY YEARS OF SCHOOL COMPLETED

Labor Force Status by Years of School Completed (Numbers in thousands)	White			Black			Spanish Origin		
	1975	1980	1985	1975	1980	1985	1975	1980	1985
U.S. Civilian Labor Force:									
Total.....	60,608	68,509	76,739	6,666	7,729	9,157	2,893	3,760	5,412
Percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
< 4 yrs. of high school..	25.8	19.1	14.7	46.1	34.7	26.2	54.3	47.5	43.5
High School: 4 yrs. only.	40.6	40.2	40.7	33.0	38.1	39.5	26.0	30.0	32.0
College: 1 to 3 yrs.....	14.6	17.7	19.1	11.9	16.2	19.2	10.9	13.0	13.7
: 4 yrs. or more.	19.0	22.9	25.6	9.1	11.0	15.0	8.8	9.5	10.8
Labor Force Participation Rates:									
Total (percent).....	70.8%	74.2%	76.6%	69.4%	71.5%	73.4%	66.7%	70.5%	71.1%
< 4 yrs. of high school..	62.0	61.4	60.7	61.2	58.1	57.1	60.5	63.5	62.6
High School: 4 yrs. only.	70.1	73.7	75.8	75.2	79.2	77.2	71.7	75.0	75.9
College: 1 to 3 yrs.....	75.4	79.2	81.1	81.1	82.1	85.6	78.9	82.3	82.8
: 4 yrs. or more.	84.6	86.0	87.7	88.3	90.3	89.9	87.6	84.0	87.0

Source: Bureau of Labor Statistics News (USDL 85-355), Labor Day, 1985.

Since the second quarter of 1985, U.S. civilian employment (seasonally adjusted) has increased approximately 4.3 percent while unemployment has declined slightly. By ethnic group, employment increase has been approximately 15 percent for Hispanics, 7 percent for Blacks and 3 percent for Whites. Meanwhile, unemployment rates have shown an overall decrease. Changes for Hispanics are tentative because of new and improved procedures for calculating illegal immigration counts.

Of special concern during the past few years has been the increasing displacement of U.S. workers from previously stable jobs because of structural changes in the U.S. and world economies. Particularly hard-hit by displacement have been Minority workers.

TABLE 14
EMPLOYMENT STATUS OF U.S. LABOR FORCE: 1985-87
(seasonally adjusted)

	1985 Q2	1986 MARCH	1987 MARCH
Civilian Labor Force...	115.2	117.2	119.2
Employment.....	106.8	108.8	111.4
Unemployment.....	8.4	8.4	7.9
Unemployment, All Civilian Workers...	7.31%	7.18%	6.59%
BY ETHNIC GROUP			
	1985	1986	1987
CIVILIAN LABOR FORCE (MILL.):	MARCH	MARCH	MARCH
<u>WHITE</u> Labor Force.....	100.0	101.2	102.8
Employment.....	93.8	95.0	97.0
Unemployment.....	6.2	6.3	5.8
<u>Black</u> Labor Force.....	12.3	12.7	12.8
Employment.....	10.4	10.8	11.1
Unemployment.....	1.9	1.9	1.8
<u>Spanish-Origin</u> Labor Force..	7.4	7.9	8.4
Employment.....	6.6	7.1	7.6
Unemployment.....	.8	.8	.8
UNEMPLOYMENT RATES:			
<u>White</u> Workers.....	6.3%	6.2%	5.6%
16 to 19 Yrs. Old Workers.	15.1%	14.5%	15.5%
<u>Black</u> Workers.....	15.2%	14.7%	13.9%
16 to 19 Yrs. Old Workers.	42.0%	43.7%	37.6%
<u>Spanish-Origin</u> Workers.....	10.2%	10.3%	9.0%
Source: Bureau of Labor Statistics News (Monthly), U.S. Dept. of Labor, Washington, D.C.			

... Many of the displaced are middle-aged unskilled or semiskilled manufacturing workers, with long and stable job histories. Given the pace of technological and structural economic change, they may be left behind.

These forces are also responsible for the loss of job opportunities for many younger workers. ... Indeed, in some industries, it will be impossible even to maintain current levels of employment. (p.6)

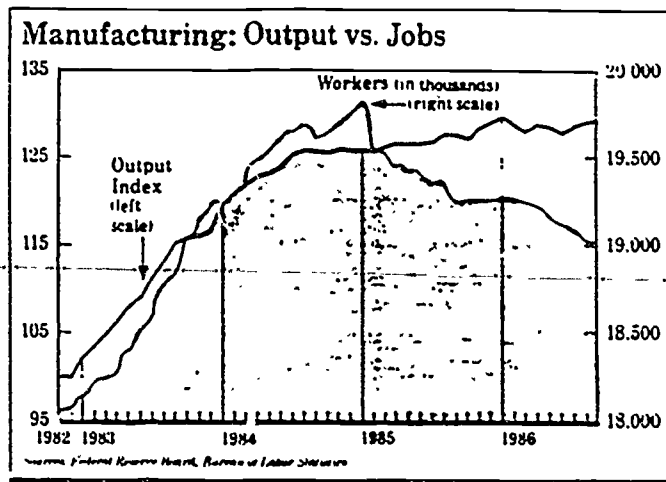
Office of Technology Assessment, Technology and Structural Unemployment: Reemploying Displaced Adults (Summary). Washington, D.C.: U.S. Congress, February, 1986.

Productivity gains have been achieved by major cost cutting and staff reductions, particularly within firms faced with stiff foreign competition and shrinking markets.

The strong performance in manufacturing has been offset by a slowing in growth of farm productivity and practically no growth in productivity in the service sector.

Significant business expansion will be needed to step up hiring.

FIGURE 14



Source: The Wall Street Journal, December 4, 1986.

Over the 5 years from 1979 to 1984, 11.5 million American workers lost jobs because of plant shutdowns or relocations, rising productivity, or shrinking output.... Of those who found new jobs, at least half took cuts in earnings.

Although manufacturing now accounts for less than 20 percent of U.S. employment nearly half of all workers displaced from 1979 to 1984 worked in manufacturing industries, especially those hard hit by international competition (such as steel, automobiles, industrial equipment, textiles, and apparel). The service jobs that the U.S. economy has created in the past years are not equivalent to the old manufacturing jobs... and the better service jobs require skills or education that most displaced workers do not have...

For many displaced workers, retraining is the best avenue to a good job with possibilities for advancement. ... Still, strong emphasis on education and training for a substantial minority of people appears to be lacking.

Remedial education for the large number (perhaps 20 percent) of displaced workers lacking basic skills is a clear but unmet need...

Given the incentives leading U.S. firms to invest overseas and take advantage of cheap labor, or to use less labor at home, displacement is bound to continue. Manufacturing jobs -- especially production jobs -- will continue to decline as a fraction of total employment; they are likely to continue to decline in absolute numbers as well. Within manufacturing, the most vulnerable jobs are those of unskilled and semiskilled production workers. These jobs are not only the easiest to automate, they are also the easiest to move overseas....

To meet the challenge of living with global competition while enhancing the quality of its citizens' lives, the United States will have to move on many fronts to upgrade the skills of its work force and to make the best use of the abilities of its people.^{6-9, underline added)}

Black and Hispanic workers, compared with White workers, are more concentrated in those occupations which have the highest unemployment rates: e.g., operator, fabricator and laborer occupations, "other" service occupations, and farm laborer occupations. These occupations also tend to be at the lower end of the pay scale.

A major reason for Minority underrepresentation in higher-level occupations and overrepresentation in lower-level occupations is their lower levels of educational attainment in general. According to the Bureau of Labor Statistics, occupational level is highly related to attained educational level. Adults in 1984 with less than a high-school graduation tended to be employed in semi-skilled-labor, service, or skilled-labor occupations. However, adults with at least four years of college tended to be employed in executive, managerial, or professional specialty occupations.

TABLE 15
PERCENTAGE DISTRIBUTION OF EMPLOYED U.S. CIVILIANS
25 TO 64 YEARS OF AGE BY OCCUPATION AND
YEARS OF SCHOOL COMPLETED: MARCH 1984

Occupation	Total	Years of School Completed			
		<4 Yrs	4 Yrs.	College	
		H.S.	H.S. only	1-3 Yrs.	>4 Yrs.
Total Employed Civilians.....	100.0%	100.0%	100.0%	100.0%	100.0%
Exec., Admin., Mngt.....	12.9	4.2	8.7	14.7	23.3
Professional Specialty.....	15.2	1.1	3.1	11.4	45.4
Technicians & Related Support.	3.3	.7	2.7	5.9	3.9
Sales Occupations.....	11.1	6.7	11.5	13.8	11.0
Admin. Support, Incl. Clerical.	15.7	5.9	21.9	21.7	7.5
Service.....	11.3	20.8	13.4	9.5	3.1
Precision Prod, Craft & Repair	12.7	19.0	16.7	12.2	3.0
Operator, Fabricator & Laborer	15.3	35.2	19.1	8.7	1.9
Farm, Forestry & Fishery.....	2.7	6.3	2.7	2.1	1.1

Source: Bureau of Labor Statistics News (USDOL 84-388), Aug. 31, 1984.

A shorter life cycle for job skills is occurring due to the rapid advance and application of technology. This requires that new workers be educated for a wider span of changing options and necessitates current workers to be retrained or upgraded throughout their working careers.

These changes are having and will continue to have a major impact upon the status of the Black and Hispanic workforces in particular. This is the case because of Blacks' and Hispanics' (1) overrepresentation in those occupations being most negatively affected by automation and robotics, (2) lower education and acquired-skill levels, and (3) financial inability to obtain the necessary education or skills training to get, and stay in step with, the changing technological workplace. Accordingly, it is critical for workers to have a fundamentally sound educational base, upon which necessary training or retraining can build. Time and cost to keep a workforce current will be of ever growing importance to employers.

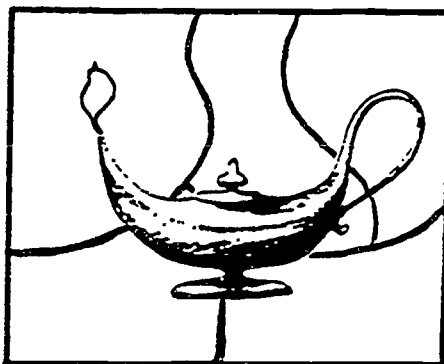
The disappearing, well-paid factory-floor jobs of the past are being supplanted by automation, and their labor-force share is being transferred to lower-paying service jobs. Between 1970 and 1984, 94 percent of the 23.3 million new nonagricultural workers were in service-producing sectors and only 1 percent in manufacturing. Even since the beginning of the current business expansion in December 1982, almost all the 10 million new jobs have been in the service-producing sector. Even in May 1986, of 150,000 new jobs, service industries accounted for 100,000 -- while manufacturing lost 40,000 jobs (115,000 during the previous year). Since the post-recession peak in August 1984, approximately 300,000 factory jobs have been lost.

However, American modernized industries will continue to need a highly-skilled work force. This will require a competent, qualified workforce and will necessitate job training programs to reach displaced workers, emphasizing skills training more strongly. It appears that jobs being created provide income and benefits which are now more related to the extent and relevance of workers' acquired education and training than was the case in the past.

V. THE CHALLENGE AHEAD

We are faced with an increasing proportion of "at-risk" youth and adults. Their characteristics and problems have been identified ... they are in serious need of understanding and help in coping with their problems.

Education is one of the keys to the solution of many of their problems ... an educated citizenry is crucial to the vigor of our economy -- and to the strength and cohesiveness of the ~~social-fabric of our society.~~ The responsibility for educating our citizenry rests not with a few "experts", but rather with each one of us. The costs of not meeting our mutual responsibilities have been and will continue to be felt not only by each underachieving person, but also more and more, by each one of us. One example of a group who, on their own, have shouldered their educational and economic responsibilities is the Asian American. In general this group has



- a. Placed higher priority on education and acquisition of skills,
- b. Attained higher measured academic performance,
- c. Achieved higher graduation rates, and
- d. Have higher occupational and income levels than all other ethnic groups.

Our economy is favoring information-based industries and application of technologies which require higher levels of education and skill of most workers. The education levels of workers are rising, but disadvantaged urban and rural persons and most ethnic minorities are not keeping pace. Those with low educational levels -- such as high-school dropouts -- will be at even greater disadvantage in the future. Illiterates will face overwhelming obstacles.

These persons are imperiled by a downward spiral wherein their lack of economic success weakens their (or members of their family) participation in education, which, in turn, further undermines their economic position. These two interdependent systems are magnifying and falling each other. In addition, they become more "at-risk" in a personal and social sense.

* * *

We share a common destiny. That destiny does not rely solely upon the White community -- or professionals -- but upon the performance of our entire citizenry. We need an educated population and competent work force across all occupations. Remember the words of Dr. Martin Luther King: "The quality, not the longevity of one's life, is what's important."

Hopefully, we will make a fair and equitable economy, and thusly help to achieve a just social system, not by how well we have educated the few who are easiest to educate, but how well we have served all our people.

I sincerely believe that giant steps toward attainment of equality can be achieved through the "economic front". The dollar is almighty in the work-place and it is colored green; it is not black, or brown, or yellow, or red.

Technology of itself does not discriminate...it's advancement and application is strictly neutral. There is no room for bigotry when an employer has critical needs for a knowledgeable work force. To remain competitive and prosper, an employer must provide the right product or service, which must be of higher quality and sold at lower cost than others... This takes knowledgeable

people.... Knowledge itself does not discriminate nor is knowledge, of itself, bigoted or intolerant.

An idea, a computer, an advanced machine, a new process, a new material, a new anything -- these are not bound by the ethnicity or race of the person involved. Knowledge, abilities to apply it, and coping with change come largely from the human brain -- which is not black, or brown, or yellow, or red to match the skin of the person of which it is the essential part.

The hypothesis is simply this:

The economy -- which basically affects our pocket-book or wallet -- is a key focal point. We are in a knowledge era, where knowing and applying knowledge and skills are so critical that they will predominate over bigotry, intolerance and discrimination. Employers -- and those in business for themselves -- know full well that they will survive and grow only when they can match or overcome their competition: ~~this necessitates a competent workforce.~~

When an employer needs a person with certain knowledge and skills, he hires the best he can get. The fact that a qualified person is of any particular ethnic group, age, race or sex will become less a factor in the decision to hire. Why? Because the employer's economic future may be at stake.

Personal and social strains will continue to exist for years to come, even as we share the challenges and successes of technology on the economic front. But I'm convinced there will be more dependence, recognition, and respect for the talents and abilities of each another.

The reality for a successful economy and social structure can be expressed in a few words:

The critical words are knowledge and the ability to apply skills of all of our people. What is needed is a sound educational base from kindergarten through high school, then continuing indefinitely on-the job or post-secondary vocational training or college.... This pertains to each and every youth and adult -- male and female alike regardless of race or ethnicity. We must see to it that this message is received, understood and acted upon by everyone possible.

On another but related issue, I do not believe we will get a consensus that illegitimate births will be greatly reduced through more sex-education programs -- nor will we all agree that passing condoms out freely is the solution. "Just say No" may be effective for some, but will probably fall short of making a large impact. However, research shows that high numbers of adolescent pregnancies are experienced by girls that have low academic achievement levels in school or have dropped out. Let's all agree to get behind our youth to stay in school and have more successful educational experiences. It is critical to them, their offspring, and to each of us.

The challenges facing the new generation of Blacks, Hispanics, and Native Americans in particular are no less significant than those faced by previous generations who through great sacrifices, did make some economic and social progress. I believe there are more doors now open for most Minorities -- we must not only keep them open, we must help more Minorities to pass through them successfully.

Unless we youth and adults face these challenges now, the economic and social situation is sure to deteriorate.

To the extent that any one of us does not meet his or her full potential, we will all be diminished.

ATTACHMENT I

U.S. YOUTH AT-RISK

Various population characteristics address persons "at-risk" of (1) not achieving their individual potential to succeed in life and contribute to society and (2) being chronically dependent upon (and thus of little benefit to) society. Some characteristics directly identify and enumerate youth at risk, while other characteristics only indirectly identify risks to youth through characteristics of adults or families/households. The various characteristics reveal the magnitude of the problem(s) and help focus attention for providing assistance to areas of need.

As presented in Table 1, the U.S. contains a substantial population at risk, the extent depending upon the characteristic examined. Three factors are of importance in identifying youth at-risk. The first concerns children living in or near poverty. In 1980, the U.S. contained over 13 million such children, a smaller number than in 1970 but a higher proportion of children.

The second factor concerns children who are growing up in single-parent homes, with their socio-economic disadvantages. In 1980, the U.S. contained almost 15 million such children, or one out of every four children, almost twice the number and proportion of 1960.

The third factor concerns students who drop out of (and do not return to) school. U.S. dropout rates had been decreasing until 1970 but have reversed trend and increased slightly. In 1980, 982,000 (one of nine) U.S. 16 and 17-year-olds were dropouts. Dropout rates tended to be lower during recessions (low employment rates) and higher during recoveries (high employment rates). Dropouts are less likely to be in the labor force, and those who are in are more likely to be employed in low-paying jobs or unemployed.

Finally, a major adult-based factor concerns the percentage of adults 25 years old and older who have not completed a high-school diploma. As shown in Table 1, this percentage has decreased substantially since 1940 with each subsequent census from three of four to only one of three for the U.S. This factor is important because of parents' impact upon their children's attained educational levels.

Illegitimate births represent both a present and a growing problem as they comprise an increasing proportion of all births, because of accompanying physical, educational and socio-economic problems. The numbers and rates of illegitimate births are significant and continue to increase. Between 1970 and 1980, the number and proportion of U.S. children with never-married mothers almost doubled to over three million or one in 20 children.

Source: J.P. Lisack & K.D. Shell (June 1987). "Annual Student Dropout and Mobility Rates in Indiana Public Secondary Schools: 1971-72 to 1985-86" (Manpower Tid-Blt 87-3). Office of Manpower Studies, Purdue University, Know Hall of Technology, West Lafayette, IN 47907.

TABLE 1
SELECTED YOUTH-AT-RISK CHARACTERISTICS
FOR THE U.S.: 1940 - 1980
(Numbers in Thousands)

At-Risk Characteristic	Census		%
	Year	Number	
Child-Based:			
Children < 18 Living < 125% Poverty Level	1980	13,293	21.2%
	1970	14,421	20.8%
Children < 18 Living with < 2 Parents	1980	14,864	23.3%
	1970	8,064	13.7%
	1960	8,481	13.2%
Child. of 15-44 Yr.Old Never-Married Women	1980	3,157	4.6%
	1970	1,740	2.5%
16 & 17 Yr. Olds <u>Not</u> Enrolled in School	1980	982	11.6%
	1970	836	10.7%
	1960	1,089	19.1%
	1950	1,071	25.6%
16-19 Yr.Old Dropouts Dropouts <u>Not</u> Employed*	1980	1,664	12.1%
	1980	1,337	59.5%
Adult-Based:			
Adults w.< H.S. Diploma (25 Yrs. & Older)	1980	44,535	33.5%
	1970	52,290	47.7%
	1960	58,615	58.9%
	1950	55,863	65.7%
	1940	55,700	75.5%

* Unemployed plus not in the labor force.

Source: U.S. Census Reports, 1960, 1970, 1980.

ATTACHMENT II

HERE THEY COME, READY OR NOT (SELECTED HIGHLIGHTS)*

A. Demography's Awesome Challenge for Schools

... [A] markedly different generation of Americans is developing. It will be smaller, and it will be more racially and ethnically diverse than any previous generation in American history....

Next September, more than 3.6 million children will begin their formal schooling in the United States.

	# of Children
▷ 1 out of 4 of them will be from families who live in poverty.	900,000
▷ 14 percent will be the children of teenage mothers.	504,000
▷ 15 percent will be physically or mentally handicapped.	540,000
▷ As many as 15 percent will be immigrants who speak a language other than English.	540,000
▷ 14 percent will be children of unmarried parents.	504,000
▷ 40 percent will live in a broken home before they reach 18.	1,440,000
▷ 10 percent will have poorly educated, even illiterate, parents.	360,000
▷ Between one quarter and one third will be latchkey children with no one to greet them when they come home from school.	1,050,000
▷ And a quarter or more of them will not finish school.	900,000

... That many will bring with them baggage of familial, racial, ethnic, and socioeconomic stress is well known to educators. What is less well understood is that if current trends persist, the proportion of children "at risk" for school failure for these reasons will grow with each passing year for the foreseeable future.

... If demographic trends and projections prove reasonably accurate, these children will face awesome challenges as society seeks to replace the skills of the retiring Baby Boomers. And, if our past experience in dealing with the most needy children is any guide, they will be ill-equipped to meet those challenges.

If the United States is "a nation at risk," as the National Commission on Excellence in Education said in 1983, the "risk" may be largely concentrated in this growing segment of educationally disadvantaged children. They will compose the workforce that will compete in an increasingly technological marketplace. And they will be looked to for the economic productivity to sustain a burgeoning support system for the elderly.

Yet, as reform seeks "excellence" through tightened standards that often exclude them, these children appear, more than ever, to be virtually doomed to lifelong membership in a permanent underclass.

... In a very real sense, an underdeveloped country of some 40 million people has grown in our midst. The majority of its inhabitants are poor, nonwhite, uneducated if not illiterate, unemployed and often unemployable, and largely dependent on government for their survival.

But there is also a growing recognition that the high toll of poverty is not limited to the personal tragedy of millions of individual Americans. Recent studies and reports have documented the enormous cost to society of poverty's progeny: illiteracy, unemployment, teenage pregnancy, violence, and crime.

And the eroding power of the United States in the world marketplace and the declining number of young people in the society have led to a growing awareness that the United States can no longer afford to waste a sixth or more of its human resources. If the nation is to prosper and be secure, business, the military, and academe must have an expanding supply of well-educated young people.

Translation: The schools must do a better job, must find ways to meet the demand.

* Excerpt from special report in Education Week, May 14, 1986, Vol. 7 No. (34), pp. 13-37.

ATTACHMENT II - CONTINUED

B. DEMOGRAPHIC PORTRAIT: SCHOOLING At Risk: Pupils And Their Teachers

In the years ahead, the population diversity that Americans consider a hallmark of their democracy will become more pronounced. For educators, that will mean working with cohorts of children more ethnically and racially diverse than ever before -- and more of whom will bring with them the array of "risk" factors that bode ill for their development.

A growing proportion of America's young people will be poor, nonwhite, limited-English-proficient, and from broken families in which parents themselves lack education....

- Despite modest gains in recent years, black and Hispanic children on the average continue to score far below their white peers on standardized tests....
- In spite of improvement over time, minority children are still far more likely than whites to drop out of high school.

Moreover, some educators worry that stiffened graduation and promotion policies enacted in the current school-reform movement will force even more minority students to drop out. As of 1984, only a handful of states that had raised their standards include provisions aimed at helping students who did not achieve the new goals.

- Black and Hispanic children who do graduate from high school are less likely than white graduates to enroll in college, and the college-going rate for minority graduates has been falling....

The percentage of degrees awarded to minority college students is also declining....

- Even as the number of minority students increases, the scarcity of minority teachers is becoming acute....

The growing trend toward requiring prospective teachers to pass competency tests in order to be licensed is likely to shrink the pool of minority teachers even more.

At the same time that the indicators for minority groups' academic success seem negative, the education community faces broader uncertainties about the size and quality of the overall teaching force in the years ahead.

The average age of the American teacher is now 42, and about half of the 2.1 million teachers working today will retire, resign, or die in the next six years. Meanwhile, only half as many college students are majoring in education as did so in 1972....

Knowledgeable observers are contending that the real "crisis" in teaching will be one of quality. The shortage, they say, will not be a shortage of teachers, but a shortage of qualified teachers

About 20 percent of all teachers are now teaching in fields for which they are not certified. Eligible for certification; in subject areas such as mathematics and science, more than half of today's teachers have substandard qualifications.

Moreover, the teaching profession is attracting and retaining fewer academically able young people than it has in the past....

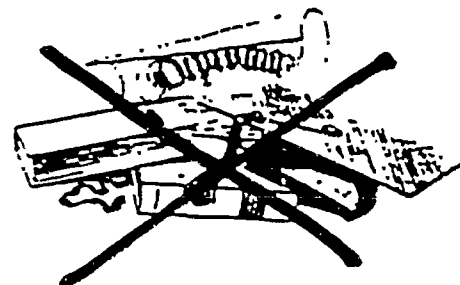
To assure that there is a teacher in every classroom, states and districts will very likely provide for emergency certification and alternative routes to certification. And that, many educators warn, could lead to a generation of teachers ill-prepared and ill-equipped to provide a meaningful education for the burgeoning at-risk populations.

ATTACHMENT III

SOCIAL COST OF DROPPING OUT OF SECONDARY SCHOOL*

A. SOCIAL COSTS OF DROPPING OUT

- 1) Individual or private costs
 - a) Higher unemployment rates
 - b) Higher periodic losses of employment
 - c) Relegation to lower-paying occupations
- 2) Public or societal costs
 - a) Lower productivity level (capacity and output)
 - b) Lower income and lower tax revenue
 - c) Greater need for welfare and unemployment subsidies
 - d) Higher crime rates and associated social and judicial costs
 - e) Higher health-care costs
 - f) Lower electoral participation rates
 - g) Tendency for similar parent-child educational attainment
- 3) Imbalanced distribution of dropout problem across societal groups
 - a) The poor
 - b) Language minorities
 - c) Ethnic minorities
- 4) Suspicion that "contortions of the schools designed to keep would-be dropouts in could lead to qualitative differences in schooling, differences possibly interpreted as negative by potential employers"



B. SOCIAL COST ESTIMATES: 1981

- 1) \$4947 annual income loss per average dropout (nationally):
\$5661/male, \$4232/female
- 2) \$1496 annual tax revenue loss per average dropout (nationally)

C. MISMATCH BETWEEN DROPOUT PROBLEM AND GENUINE PUBLIC ATTENTION

- 1) Costs may be generally underestimated: some appreciation of problem's magnitude suggested by school officials and legislators
- 2) Specific mismatch
 - a) Dropout losses are national in impact, but
 - b) Schools are local and state-level enterprises.
 - c) Failure of citizens to generate income affects school officials and organizations only marginally, indirectly, eventually
 - d) Differing time frames between intervention and benefit
 - (1) Allocations of current public resources for promise of future returns
 - (2) Electoral politics and "current" needs can dampen enthusiasm for long-term futuristic investing.
 - e) Lack of consensus on ways to effectively encourage school completion
 - f) Local development of answers to dropout problem seems required
 - g) No nationwide attack plans exist
 - h) Resistance or pessimism regarding dropout suggested by current behavior of school officials
 - (1) Dropouts written-off as too expensive or troublesome to serve?
 - (2) Dropouts out-of-reach long before they become evident?
- 3) Cost of educational deficit "will probably grow before we act concertedly to reduce it."

* Source: James S. Catterall, "On the Social Costs of Dropping out of School." University of California, Los Angeles, (Revised). December 1985.

ATTACHMENT IV

ACCESS TO HIGHER EDUCATION: THE EXPERIENCE OF BLACKS, HISPANICS AND LOW SOCIO-ECONOMIC STATUS WHITES*



(Report Highlights)

College Attendance Patterns

The decision to attend college continues to be influenced by a student's socio-economic circumstances:

- ▷ Slightly more than half of the students who never attended college are in the study's lowest [Social Economic Status] SES quartile.
- ▷ Almost half of low-SES whites among 1980 seniors never attended college.
- ▷ A significant proportion of black 1980 seniors (31 percent) applied to college but were not attending two years later, compared to 23 percent for all 1980 seniors.
- ▷ Overall, 40 percent of 1980 seniors enrolled in college and were still in attendance two years later.
 - The overwhelming majority of these students (65 percent) were in the highest SES quartile.
 - The least represented groups for college attendance were Mexican-Americans and low-SES whites; among these groups, 23 percent and 25 percent, respectively, were attending college two years later.
 - In contrast, 53 percent of Cuban-Americans and 56 percent of high-SES whites were still in attendance two years later.
- ▷ Thirty-seven percent of 1980 seniors who entered college after graduation were not in attendance two years later.
 - Minorities and low-SES whites were twice as likely to be in this group than high-SES whites.

Two-Year and Four-Year College Attendance

- ▷ Of those 1980 seniors enrolled in college, 58 percent attended four-year institutions and 44 percent attended two-year colleges.
- ▷ Students attending four-year colleges had scored somewhat higher on the senior-year achievement tests than their two-year counterparts.

*Source: Valerie Lee, American Council on Education, Division of Policy Analysis and Research, One Dupont Circle, Washington D.C. 20036-1193, May 1985.

▷The majority of black and high-SES whites attended four-year institutions (60 percent and 65 percent, respectively).

--- In contrast, 54 percent of low-SES whites and 61 percent of Hispanics attended two-year colleges.

▷The distribution of Hispanics enrolled in two-year institutions by nationality are:

--- Mexicans-Americans, 65 percent

--- Cubans, 56 percent

--- Puerto Ricans, 48 percent and

--- Other Latins, 57 percent

▷The average scholarship amount for students attending four-year institutions was twice the amount of those attending two-year colleges.

▷Twenty-two percent of students at four-year institutions majored in technical fields as did 19 percent at two-year institutions.

Students Who Withdrew From College

▷Overall, men were more likely to withdraw from college than women.

--- Fifty-three percent of men withdrew from college compared to 47 percent of women.

--- Among low-SES whites, women withdrew from college more so than their male counterparts.

▷Women tended to withdraw for financial reasons. Sixty percent of women indicated they withdrew for financial reasons compared to 40 percent of men.

Characteristics of Students by Achievement Levels

▷Seventy-one percent of 1980 seniors of "high ability" were attending college two years later.

▷Students of "high ability" were twice as likely to major in the technical fields than those of "average ability".

▷Women were less likely to be in the "high ability" group than men.

▷Blacks and Hispanics were the least represented 1980 seniors in the "high ability" group.

▷More than three quarters of 1980 seniors in the average ability groups were not attending college two years later.

Sex Differences Among Black Students

▷More than half of black women (57 percent) were enrolled in college two years after high-school graduation, compared to 47 percent of black men.

ATTACHMENT V

SOME PERTINENT EXTRACTS FROM "THE GREEN SHEET."*

► Some (less than cheerful) Notes About Financial Aid

Total student financial aid from U.S., State, and campus sources increased 23% since 1980, which is three percent less when inflation is taken into account. Meanwhile,

- Cost of attending college has outpaced the inflation rate,
- Incomes have barely kept pace with the cost of living,
- The number of eligible students applying for student aid has continued to climb,
- Demographic projections will exacerbate the problem, and
- Loans represented 50 percent of all 1985-86 aid, compared to 17 percent of all 1975-76 aid, with low-income students less likely to seek loans as viable resource for course expenses.

► Jobs and Education Linked

William H. Kolberg, president and chief executive officer of the National Alliance of Business (NAB), cautioned that "in the near future three out of four jobs will require education or training beyond the high school level."

But Marc S. Tucker, executive director of the Carnegie Forum on Education and the Economy, pointed out to lawmakers that as the U.S. faces increased economic competition from overseas--competition characterized by high basic skill levels and a willingness to work long hours for low pay--"we face a steady increase in the proportion of our student body made up of the most difficult to educate students, a greatly increased demand for teachers and a widening shortfall in teacher supply."

"The only way we can avoid massive unemployment or a steady decline in our own standard of living," Tucker concludes, "is to greatly raise the educational attainments of our labor force."

► Human Resource Development Key Ingredient of Economic Productivity

Numerous witnesses--representing education, business, and government--advised U.S. lawmakers that at a time when the U.S. needs to make even greater use of its human resources to boost economic productivity and meet stiff foreign competition, the nation's potential work force appears afflicted with more, and more varied, problems than in the past: illiteracy, school drop outs, teenage pregnancies, welfare dependency, criminal behavior, and alcohol and drug abuse.

*Circular Letter No. 8/86. 5 September 1986. The National Association of State Universities & Land-Grant Colleges.

Research conducted by the U.S. Labor Department, U.S. Bureau of Labor Statistics, Rand Corp., NAB, Carnegie Forum on Education, and others report:

- Almost all of the expected increase in students during the next 15 years will come from families who are poor and minority. "Almost half our poor are children," the Carnegie Forum's Tucker observes. "A child under six today is six times as likely to be poor as a person over 65 ... By the year 2000, one of three students in the United States will be non-white."
- To meet this influx of students, the Carnegie Forum conservatively estimates that 215,000 new teachers will be needed in 1992. If entry standards are now lowered to meet the teacher shortage, we will fill our schools with barely literate teachers at the very time when we are filling the schools with poor and minority children who must be vastly better educated than before..."
- Poverty greatly influences educational attainment. Only 43 percent of black youngsters, who come from poor homes, ever graduate from high school--and the comparable figure for whites is 53 percent, NAB says.
- Nationwide, about 26 percent of the public school population is minority and by 1990 minorities are expected to constitute 30 percent of the public school population. [Already minorities account for the majority of students in the 25 largest U.S. school corporations, including several in the Midwest.]
- Teenage pregnancy continues to be a major concern. If the present rate remains constant, one out of four girls who is 14 years old today will be pregnant at least once before her 18th birthday; one out of eight will have had at least one abortion. And three-quarters of all single mothers under age 25 are living in poverty.

Job Market Outlook

Will the jobs our economy is likely to generate in the future accommodate an emerging labor force with this educational, economic, and social background?

"On the one hand," says BLS Commissioner Norwood, "the projected strong growth in highly skilled professional, managerial, and technical occupations will make it easier for the growing proportion of college-educated workers to find the kinds of jobs for which they will be searching.

"On the other hand," she adds, "the shift away from factory operative and laborer occupations may make it more difficult for persons with less education to find jobs.

"In general, highly trained persons have the best job opportunities. While some of them may have to settle for jobs outside of their specific field, they still tend to have more options open to them."



ATTACHMENT VI

RECONNECTING YOUTH: THE NEXT STAGE OF REFORM (HIGHLIGHTS)*

... We now must move to meet the needs of those who, despite or because of school reform, are at greater risk of being lost to society as productive individuals....

... [A] growing proportion of our young people are not making successful transitions to productive adult lives. They ... [and we,] as a society, are paying a heavy price. In the years ahead, the costs are going to get higher.

... Within that shrinking labor pool is a growing pool of "at-risk" young men and women: people in their teens and early twenties who could become productive citizens but most likely will not unless something out of the ordinary happens. They have the intelligence to succeed, but they lack important skills, family support, discipline and the motivation to make it. An unconscionably disproportionate number of them are poor, Black and Hispanic youth....

Three categories of youth are of major concern:

- ▶ The alienated. These young people are uninterested in or dissatisfied with the values represented by school and work.
- ▶ The disadvantaged.
- ▶ The disadvantaged and alienated. These young people ... have, in addition, problems associated with being economically disadvantaged. A disproportionate share of these young people are minorities.... Most of them lack basic social and academic skills. Most lack family support, useful networks and self-esteem. All could make strong contributions to their communities and lead productive adult lives if they got the right help at the right time....

... It is not unreasonable ... to believe that all three of the above groups constitute 10% to 15% of the 16- to 19-year-old age group, nationally. In major cities, it is not unreasonable to estimate that half the high school population is at risk. We are talking about, by conservative estimate, 1,250,000 White, 750,000 Black and 275,000 Hispanic 16- to 19-year-olds at risk. Addressing this issue ... is an urgent task central to the country's further economic and social development....

Experienced teachers and administrators can predict which students will most likely drop out even when the students are in the primary grades.... Disconnection is not a tragedy because it happens; it is a tragedy because many people saw it coming for years and did nothing about it.

... We favor higher standards. We think at-risk students can meet them with the right kind of help. But, unless schools can take special measures to keep "on-the-edge" students from going over the edge, we can expect dropout rates to rise.

... It may be that the most important contribution of school for these youth is the habits and values that schools ... must become better at instilling in students[:] a sense of responsibility, self-discipline, reliability and a capacity for working harmoniously with others....

We believe that schools, social service agencies, [religious organizations,] businesses and community service organizations must step in to address the needs of alienated youth and mitigate the unanticipated consequences of changing family structure. Since schools have been a most powerful public integrative system, schools are a good place to start. Since jobs for young people are powerful private-sector integrators, changes should be made in the kinds of jobs young people get and their relation to later jobs....

* Business Advisory Commission, Reconnecting Youth: The Next Stage of Reform, October 1985. Education Commission of the States, 1860 Lincoln Street, Suite 300, Denver, CO. 80295. \$10.00

CHALLENGES

To Education Leaders:

... Effective early education is far less costly than remedial education. Preventing students from dropping out is less costly than training dropouts. ... [F]or high-risk youth ..., what we are doing now does not work.... If a youngster is not responding to a normal program, try something new....

Reform must move into postsecondary education as well. Too many institutions of higher education view the at-risk teenager as someone else's problem....

- ▶ ... We challenge education leaders to be as daring in their reform as the most daring businesses have been in their efforts to adjust to a new world economy.
- ▶ Early childhood education helps children ... at risk.... We need more and better ... programs.
- ▶ Quality after-school care ... is especially important for children of poverty.
- ▶ As a baseline standard ... every 6th grader should be able to read, write, speak and compute at a 6th grade level.
- ▶ High school dropouts need opportunities to drop back in....
- ▶ Secondary schools, community colleges and four-year institutions should expand cooperative programs for meeting the educational needs of their clients....

To Business Leaders:

The businesses and unions with whom youth make their first contacts with the world of work must make an effort to see that any youth who wants to work has the opportunity to do so.... Business and labor must also see to it that the early job experiences of young people are positive experiences....

- ▶ Join in cooperative education programs that connect students to [world or work] role models....
- ▶ Assure that the resources available through the Job Training Partnership Act and similar programs are used to build or support successful programs for at-risk youth.
- ▶ See to it that every job is an opportunity to develop character and self-esteem....
- ▶ Develop incentives for employees to stay in school, go back to school or go on ... [in] schooling.
- ▶ Develop ... contact with ... organizations that specialize in training at-risk youth for specific jobs....
- ▶ Develop transportation options that link young people to jobs....
- ▶ Provide opportunities for employees to work with schools and programs that turn troubled young people around. Donate in-kind services, facilities and materials to programs that work.
- ▶ Get behind schools that demonstrate sound management, clear goals and positive results....
- ▶ Sponsor seminars on business expertise useful to schools attempting to restructure....
- ▶ Form business ... forums for discourse on public policy issues....

To Policy Makers:

... Create the incentives. Remove the barriers.... Revamp state and federal programs for at-risk youth where they are not accomplishing their aims. Coordinate youth programs and develop opportunities for all youth to work, either in private-sector jobs or in public service programs....

- ▶ Develop community and state service opportunities to deal with unemployed, underskilled, idealistic or disconnected youth all at the same time....
- ▶ Create incentives for widespread adaptation and replication of successful youth education, employment and service programs.
- ▶ Coordinate programs to maximize incentives and eliminate barriers....
- ▶ Consider new structures and procedures for effecting the transition from school to work or other productive pursuits....

... The keys to dealing effectively with this problem are leadership and collaboration. There is ... no single or simple solution to the problems of at-risk youth. ... [S]chools can and must play major roles in any collaborative approaches to these problems. If they cannot do so in their present institutional form, then they must be flexible enough to find new and better ways to integrate at-risk youth into the mainstream.