DOCUMENT RESUME

ED 316 949 EA 021 764

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TITLE Michigan and Its Educational System: Another Look.
INSTITUTION Institute for Educational Leadership, Washington, D.C.
REPORT NO ISBN-0-937846-65-1
PUB DATE Oct 89
NOTE 23p.
PUB TYPE Reports - Descriptive (141)

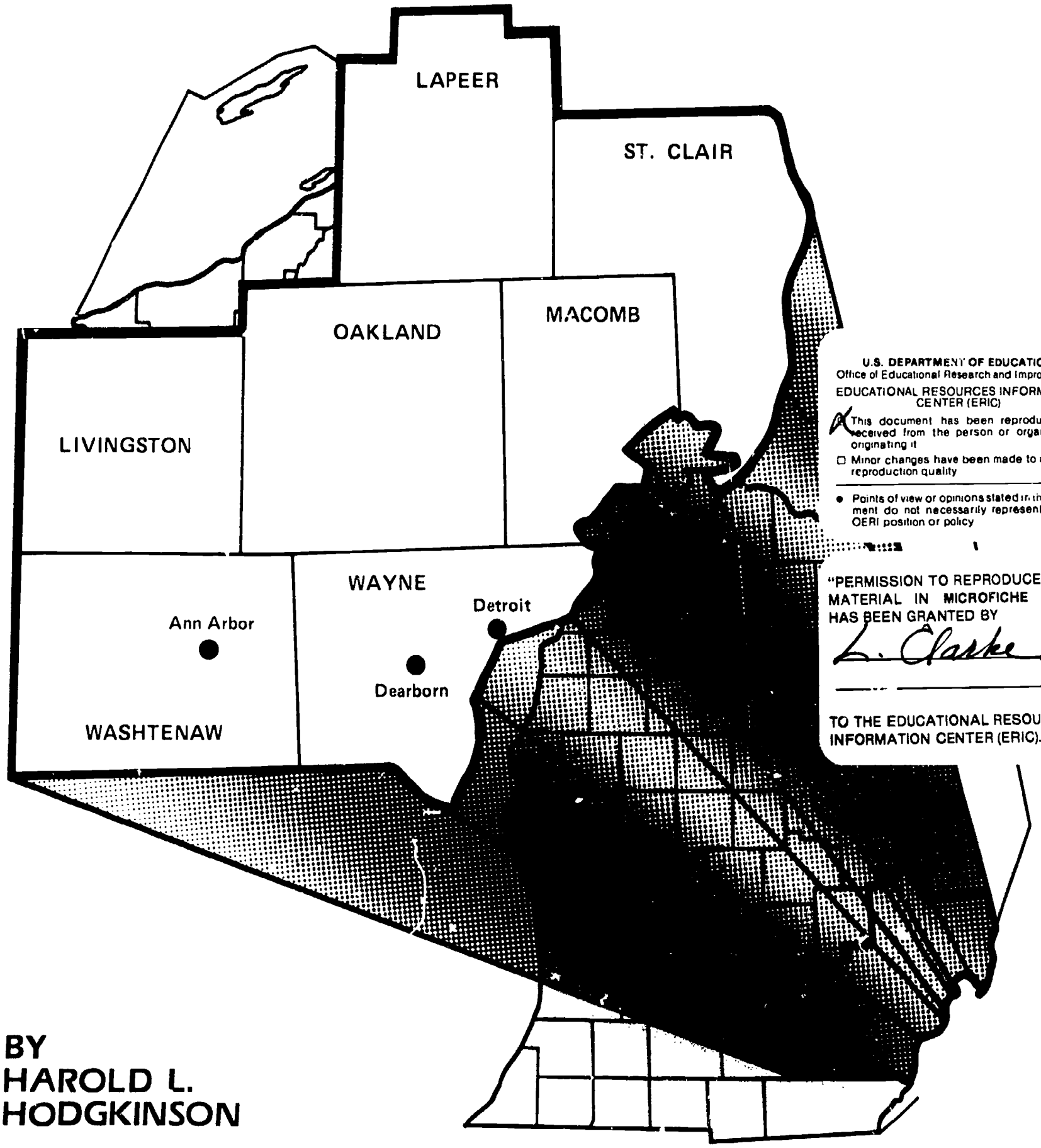
EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Early Childhood Education; *Economic Climate; Economic Development; Educational Demand; Educational Trends; Elementary Secondary Education; *Enrollment Influences; Enrollment Trends; *Minority Group Children; Minority Groups; School Demography; *School Holding Power; School Statistics; Urban Environment
IDENTIFIERS *Michigan

ABSTRACT

Michigan's "rust bowl" days are over. Although the work force is still too dependent on auto manufacturing, the economy is diversifying into trade, distribution, and financial and business services. The new jobs created are mostly in small businesses with fewer than 50 employees. The state's population is very stable with few migrations either in or out; however, the percentages of children in poverty and of kids being raised by single parents are increasing. A Baby Boomlet has not occurred in Michigan as it has in other parts of the country, so the state's youth population will not increase in the next decade. While the state's high school graduation rate is low, the rate of college attendance for those students who do graduate is high. Black suburbanization in Detroit has proceeded very slowly; during the 1982 recession, the city became more than 60 percent black due--in large part--to the "landlocked" status of urban blacks. Because Michigan continued to fund higher education even in difficult economic times, the system "weathered" the recession comparatively well. (12 references) (KM)

MICHIGAN

AND ITS EDUCATIONAL SYSTEM: ANOTHER LOOK



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ACKNOWLEDGEMENTS

The author is grateful to Michael Usdan, President of the Institute for Educational Leadership, for his support of this project and IEL's Center for Demographic Policy. Michigan's Superintendent of Public Education, Donald Bemis, was very supportive of the project, and Daniel Schultz of his staff was invaluable in providing sources and resources. Special thanks to William Keane, Oakland County Superintendent, William Simmons, Wayne County Superintendent, and William Banach, staff person to the Macomb County Superintendent, all of whom provided excellent clues to understanding the complex world of Michigan education.

My colleagues, Louise Clarke, Chief Administrative Officer at IEL, Janice Hamilton Outtz, Associate Director of the Center for Demographic Policy, and Carol Horst, the Center's Administrative Assistant, all provided high quality production services. Tony Browder of East Koast Graphics, Inc. provided imaginative graphics and layout.

Even with all this assistance, errors of fact and interpretation remain the responsibility of the author.

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ISBN 0-937846-65-1
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Cover Design and Graphics: East Koast Graphics, Inc.

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MICHIGAN:
THE STATE AND ITS EDUCATIONAL SYSTEM

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MICHIGAN AND ITS EDUCATIONAL SYSTEM— ANOTHER LOOK

Our last report on Michigan was published in March, 1987, using 1986 and earlier data sources. At the request of Donald Bemis, Michigan's Superintendent of Public Instruction, we are taking another look at Michigan, with a particular focus on the Detroit metropolitan area in terms of Oakland, Macomb and Wayne counties. By being another two years down the pike in terms of data, we can see where certain trends we isolated previously seem to be taking Michigan.

To begin with a larger perspective, our last report was developed during the days of "Rust Bowl," in which most futurists (the author is not one) were extolling the virtues of the Sun Belt and snickering at the troubles of the states that represented manufacturing interests. (Will the last person out of Boston please turn off the lights?) Let's begin with a look at the Environmental Protection Agency's (EPA) listing of the American cities with the worst air pollution, as of the end of May, 1988.

Table 1
CITIES WITH WORST AIR POLLUTION, 1988

1. New York	86 days over standard
2. Steubenville, Ohio	24 days
3. Spokane, Washington	66 days
4. Los Angeles	40 days
5. Albuquerque	14 days
6. Las Vegas	20 days
7. Denver	24 days
8. Provo, Utah	20 days
9. Fairbanks, Alaska	15 days
10. Phoenix	11 days

Source: Environmental Protection Agency, 1988.

The last five of these polluters are regularly recommended by doctors for their patients with respiratory diseases! Phoenix and Albuquerque represent dry desert heat no more, due to the almost whimsical watering of lawns and gardens as well as the filling of countless swimming pools in the midst of the desert, producing in 1989 some of the hottest humidity in the nation. The cities with the *best* quality air as determined by the EPA are shown below.

Table 2
CITIES WITH BEST QUALITY AIR, 1988

1. Cleveland	0 days over standard
2. Boston	0 days
3. San Jose	0 days
4. Detroit	1 day
5. Pittsburgh	3 days

Source: EPA, 1988.

These two lists represent more than air pollution, they also represent a measure of *industrial reconversion*. Certainly the economies of Ohio, Massachusetts, Michigan and Pennsylvania have diversified since 1980, and will continue to do so. If we are looking for states in *real* economic trouble, let's look at the leaders in business failures per million population in 1988 as shown in Table 3.

Table 3
BUSINESS FAILURES PER MILLION POPULATION, 1988

1. Colorado	821
2. Kansas	643
3. Wyoming	538
4. Oregon	425
5. California	389
6. Nevada	387
7. Washington	371
8. Utah	353
9. Alaska	338

Source: Dun and Bradstreet, 1989.

There is hardly a "Rust Bowl" state to be found! It would appear that some futurists, using systems not well explained, totally missed the nature of statewide and regional changes during the 1980's. This does not mean that all is sweetness and light in the Great Lakes States, but consigning them to oblivion does seem a bit premature.

It is also very important to realize that Michigan is one of nine states that contain *half* of the people in the nation,

while 41 states compete for the other half. (Half of the people also means half of all the schools and children.) However, the nine states are very different in terms of their growth rates and economies (see Table 4 below).

Massachusetts, normally ninth or tenth, has dropped to thirteenth, having been overtaken by North Carolina, Georgia and Virginia. The most massive growth, almost unreported in the press, is in the Southeast, not the Southwest, where growth *percentages* are high but numbers of people are not. (Colorado is 26th in population, Arizona 25th. Even with high growth rates, those states are still comparatively small)

What Table 4 below indicates is that our nine states, containing 126.6 million of our 245.8 million people, are vastly different in terms of growth. California, Texas and Florida are in the top ten in terms of growth, while with the exception of New Jersey, all the others are in the bottom ten. If we think of these nine states as having half of America's youth, it is interesting to look at projections for the percentage of minority youth in each state (see Chart 1 next page).

By the year 2010 (only 21 years away) four of our largest states will be more than half minority youth while two will be more than 40 percent. These six states will contain a total of 25.6 million children under the age of 18 in the year 2010, while the whole nation will contain only 62.6 million youth. (The *nine* states in Table 4 will contain 32.3 million of the 62.6 million youth under age 18 in the nation.) As the nation's youth become more ethnically diverse in the future, that diversity will be heavily concentrated in some of our largest states, whereas Michigan, Ohio and Pennsylvania will continue to have considerably *less* diversity than the nation as a whole. But within these nine states, governors, legislatures and school boards will decide policy influencing the education of *half of the children in the nation.*

In these nine are some of the states that will change the most in terms of population, as well as a number of the states that will change the *least* through population increases, increases in diversity, immigration and in-migration. For the nation as a whole, almost 40 percent of our youth will be non-Anglo in 21 years. If 40 percent of our young people do not get a good education and a good job, it is difficult indeed to see how the American

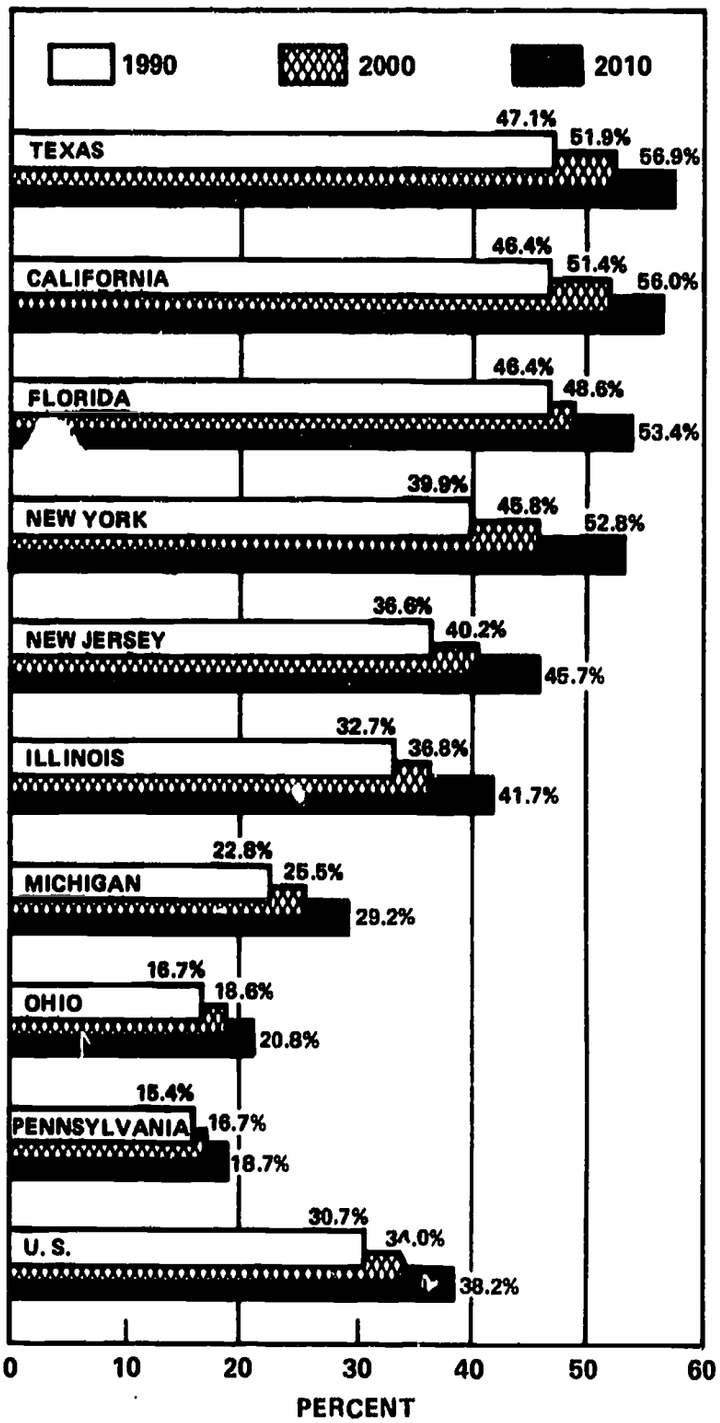
Table 4
1988 Rankings—The Most Populated States

Size Rank	Size	Growth, 1980-88	Growth Rank
1. California	28,168,000	19.0%	6th
2. New York	17,898,000	1.9%	40th
3. Texas	16,780,000	17.9%	7th
4. Florida	12,377,000	27.0%	4th
5. Pennsylvania	12,027,000	1.4%	4th
6. Illinois	11,544,000	1.0%	45th
7. Ohio	10,872,000	0.7%	46th
8. Michigan	9,300,000	0.4%	47th
9. New Jersey	7,720,000	4.8%	30th

Source: U.S. Bureau of Census, *Statistical Abstract of the United States*, 1989.

Chart 1

MINORITY YOUTH POPULATION PROJECTIONS: 1990–2010



Source: *American Demographics*, May, 1989.

economy will be able to function. The responsibility for this issue in Maine (3.1 percent nonwhite youth in 2010) and in the District of Columbia (93.2 percent nonwhite youth in 2010) will be very different, but what happens in the District will affect what happens in Maine.

This is one of many contexts in which we can place Michigan. Another is the prediction from the Population Reference Bureau that between the 1980 and 2000 Censuses, Michigan will decline in seats in the U.S. House of Representatives from 18 to 15. The number of high school graduates will decline 8 percent between 1986 and 2004. (Michigan is one of the ten states that currently has no increase in very young children, age 0-5, and thus no "Baby Boomlet" starting through the schools.)

Table 5 (next page) shows Michigan in terms of a range of indicators. There are some clear patterns emerging from this mosaic of numbers. First, Michigan is a *very* stable state. Its population remains virtually unchanged from 1980-88, and is predicted by the Census to decline to 9,250,000 by the year 2000. Minority populations remain quite stable, at less than the U.S. average. Youth populations have declined slightly since 1980, although birth rates are close to the national average. About 12 percent of births are to teenage mothers, while almost 20 percent of births are to unmarried women (a low figure—in the U.S. almost one child in *four* is born to parents who are not married at the time of birth, an extraordinarily high figure.) Health care in Michigan is scarce (in terms of beds available) and expensive. Partly as a result, a larger percentage of babies die in the first year of life in Michigan than in the nation.

Fortunately, the high crime rate, especially for violent crimes, is increasing *very* slowly compared to other states. Michigan is ranked 36th. Detroit has definitely lost the title of murder capital of the nation, ranking 4th in total murders in 1988, and 3rd in murders per 100,000 for that year, with a decline in the rate for the first third of 1989 as well. On most measures of violent crime as well as theft, Washington, D.C. is emerging as the winner. In terms of police officers per 100,000 residents, Detroit, at 461, is second to D.C. with 620 officers, followed by Philadelphia with 417 (3rd), Chicago at 408 (4th), New York at 382 (5th) and Baltimore at 380 (6th) as of 1986. The cost of apprehending criminals in Detroit is very high, but not as high as the cost of *maintaining* them after they're caught!

The Michigan prisoner rate, while 15th in size, is also increasing very slowly. From 1980-86, while the nation's prison population increased 65.7 percent, Michigan's prisoners only increased 37.1 percent, ranking the state *43rd* in prisoner increases. (However, the state was housing 23,870 prisoners at the end of 1987, at a cost per prisoner of over $20,000, the national average cost. That's tax money that can't be used for schools, even though 80 percent of Michigan's prisoners are high school dropouts, if the state is consistent with the nation. We will discuss Michigan's dropout ratio later in the education section.)

While the Governor's desire to lock up an increasing number of dangerous criminals is understandable, it is a poor long-term strategy. (We certainly are not recommending early release either, as costs on early release can be as high as $200,000 each, depending on how you compute the dollar value of the crimes they commit. Over 60

Table 5
MICHIGAN—PROFILE AND RANKS

	Michigan	Rank	U.S.
Total Population, 1988	9,300,000	8th	245,807,000
Population Change, 1980-88	0.4%	47th	+8.5%
Black Adult Population, 1988	896,000	8th	20,441,000
Hispanic Adult Population, 1988	105,000	12th	18,000,000
Population Over Age 65	11.5%	35th	12.3%
People in Metro Areas	80.2%	15th	76.9%
Births per 1,000 Population	15.1	29th	15.6
Births to Teenagers [illegible] Population	12.3%	21st	12.6%
Births to Unmarried [illegible] Population	19.3%	31st	23.4%
Infant Deaths [illegible]	11.4	11th	10.4
Hospital Daily Room Charges	$292	7th	$253
Hospital Beds per 100,000 people, 1986	486	36th	532
Violent Crimes per 100,000, 1986	780	5th	609
Crime Rate Change, 1985-87	+1.4%	26th	+6.5%
Murders per 100,000 Population, 1986	12.2	7th	9.0
Prisoners per 100,000 Population, 1986	226.8	15th	
Per Capita Income, 1987	[illegible]	19th	$15,481
Average Annual Pay, 1987	[illegible]	6th	$20,855
Retail Sales per Capita, 1987	[illegible]	23rd	$6,348
Federal Funds in Defense	$2.7 Billion	24th	$216.7 Billion
Social Security Recipients, 1987	15.3%	26th	15.3%
AFDC Recipients, 1987 (As a percent of total population)	5.2%	4th	3.2%
Food Stamp Recipients, 1987	7.5%	10th	7.5%
Manufacturing as Percent of Gross State Product	[illegible]	2nd	19.7%
Production Workers, Change 1980-86	[illegible]	1st	−5.1%
Service Workers, Change 1980-86	[illegible]	23rd	+29.1%
Home Sales, 1985-87	−9.1%	46th	−0.3%
Housing Starts, 1985-87	−8.2%	30th	−10.2%
Miles of Travel per Road Mile	612	14th	474

Source: U.S. Bureau of the Census, *Statistical Abstract of the United States*, 1989.

percent of state and federal prisoners are back in jail within three years of their release date, early or not, ready to have $20,000 plus dollars of tax money paid for their keep. A prisoner is *seven times* as costly in tax money as either a Head Start youngster or a college student.

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Given the fact that the correlation between prisoners and high school dropouts is a little higher than the correlation between smoking and lung cancer, a reduction in the high school dropout rate is the best long-term strategy *to reduce the number of future criminals*. High school graduates have a reasonable chance of getting a job, paying for their own housing, maybe owning their own car and even getting married, while high school dropouts have little chance of getting to the jobs that are the key to staying out of poverty and crime.

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Average *pay* in the state is high, due in part to union influence, while per capita *income* is lower. due to a large number of nonworking adults, especially women—Michigan ranked 36th in 1987 in percentage of women in the work force. (These days, two incomes are virtually essential for a couple living a middle-class life, whether they have children or not.) It is clear that a small chunk of the state's federal money comes from Defense. Those are some of the best-paying jobs the U.S. Government can provide, as Florida, Texas and California have discovered.

It is still true that manufacturing (31 percent of the Gross State Product in 1986 compared to a national rate of 19.7 percent) dominates the state economy—when the nation was losing 5.1 percent of its production workers, Michigan was adding 11.5 percent to its production force between 1980 and 1986, leading the nation in this regard. It seems safe to say that most of these manufacturing jobs were not directly related to auto manufacturing, which will add considerably to the state's economic diversity.

Although Michigan added 22 percent to its service work force in the same period, that was less than the nation as a whole. There is evidence of increased diversification in the Michigan work force for both manufacturing and service jobs, something our first Michigan report urged very strongly. Not only jobs, but *markets* seem to be diversifying in Michigan. We will return to this topic shortly.

The Michigan population is not aging very rapidly, and as a result, the "dependency ratio" is not shifting as rapidly away from youth and toward the elderly, as is the case in many other states. Ranking 28th in Social Security recipients, 10th in food stamp recipients and fourth in Aid to Families with Dependent Children (AFDC) makes the point. Indeed, poverty among children is high in Michigan. Youth remain a major part of the Michigan population—29.4 percent of the state's population were under the age of 18 in 1987, compared to 28 percent for the nation. With very little movement of people into and out of the state, today's Michigan youth *will* be tomorrow's Michigan adults.

Some of the standard economic indicators are promising. Retail sales per capita are about at the national average. While auto manufacturing still dominates the economy, increases in the trade, distribution and service sectors show some very optimistic news. (Michigan is pulling financial and business services away from Chicago, a very healthy development for Michigan banks, business and computer services, etc.) Home sales and housing starts are very sluggish, for one central reason—few people are moving to or from Michigan! If there *were* a big increase in home starts, some builders would be in risky shape financially. A better indicator for the state might be the very high rate of rented office space in Detroit. As of the beginning of 1989, Detroit ranked third lowest in office vacancies with only 9.6 percent vacant. By contrast, Austin, Texas office space was *37 percent* vacant during the same period. No state income is developed in Texas by that 37 percent, *one* problem that Michigan doesn't have!

In addition, Michigan is expanding another component of the state's economy—tourism, retirement and recreation. From Traverse City to Boyne Mountain, there is a surge of construction in second homes, ski resorts, hotels with golf courses, and *any square foot of lakefront property*. This story is worth telling, as it gives some insigh. into the nature of populations.

Between 1980 and 1985, Michigan lost 500,000 people, according to the U.S. Census Bureau. Of its 88 counties, only 23 gained more people than they lost. Almost all were in the northern half of Michigan's lower peninsula, according to the state data center in Lansing. People have been coming to this area for a long time as summer tourists, but now are moving to the area for retirement. Mostly pensioners from Michigan's industrial areas, the peninsula is also attracting many people from other states who love the quiet and solitude that can still be found in the northern half of the peninsula. (However, canny locals are already buying up much of the waterfront acreage in order to turn a profit.) Although retirement checks are not contributing tax dollars to Michigan, they allow local businesses to hire workers who *do* contribute tax dollars. These retirees act like a magnet, attracting younger workers who will provide services for them, and pay taxes in the process.

The county in America with the highest percentage of Social Security recipients is not in Florida. It is Montmorency County in northeast Michigan. Michigan *and Florida* both have six counties in the "top 25" in number of retirees! Michigan's six counties are shown in Table 6.

Table 6
SOCIAL SECURITY RECIPIENTS PER 1,000 POPULATION

County	Recipients	National Rank
Montmorency	376.3	1st
Roscommon	365.0	5th
Keweenaw	361.4	8th
Alcona	325.4	13th
Iron	315.1	19th
Lake	306.8	23rd

Source: U.S. Bureau of the Census, *County and City Data Book*, 1986.

The big question is whether or not the solitude which these retirees have found can be maintained as the population in the woods increases. (Incidentally, Allan Beegle of Michigan State University has found that retired men called it solitude and loved it; women called it isolation and liked it less. Given the fact that women outlive men, some problems can be created in the future.) Tourism tends to produce low income jobs like janitors, maids and waiters, but self-contained permanent retirement homes also produce needs for lawyers, roofing experts, plumbers and electricians. We will have to wait and see what the "mix" becomes for Montmorency and others.

In the meantime, Michigan Governor James Blanchard has been mounting a vigorous campaign to move Michigan out of the doldrums of the 1982 recession into a position of national leadership in a number of dimensions. This is best seen in the report, *Building the Future: The Michigan Strategy*. There is little doubt, as we have already shown, that the Michigan economy and work force *have* diversified. However, compared with other states, manufacturing jobs are still a *very* high percentage of Michigan's work force, even though a smaller percentage of these are in car manufacturing. The "high tech" corridor from Detroit to Ann Arbor uses more robots than any place in the nation, and perhaps, the world. It is still too early to tell what the job diversification will lead to. (For example, most workers in "high tech" industries do not perform "high tech" functions or need "high tech" skills. In fact, the median education level of workers in Silicon Valley is not a college degree.) Can more well-paying jobs be created on a "high tech" base?

It is clear that in Michigan, as throughout the nation, most new jobs are created by small companies employing fewer than 50 people; thus, small business starts (and *keeping* small businesses going) will be crucial to Michigan's future. The state seems to have a good record in this regard, including being *sixth* in the nation in the number of black-owned small businesses—8,731 in the 1985 Census Survey of Small Businesses. Black economic development is clearly vital to Michigan's future.

The tourism industry is inherently loaded toward low-wage jobs, while the retirement "industry" is not. Both will increase in Michigan's future. The best bet is the steady increase in financial services, business services, computer services and other high end service industries. In the past, Michigan companies often got bank loans from Chicago. Today, Michigan is providing its own services for Michigan business, as well as for the Midwest. In addition, Michigan is strategically placed for major developments with our *largest* trading partner, Canada, which should increase well-paying jobs for Michigan in the future as well. The current development of the "rainy day" fund of about $400 million bodes well for the future, as does the use of lottery funds to supplement the state's public school finances. (A word of caution: the 1988 contribution of $485 million of lottery money is against total expenditures for public schools of $6.6 *billion* in 1986-87. Some states have tried cuts in tax support for schools because of lottery income, a very suicidal position in the long term. Fortunately, this does not seem to be a Michigan problem.)

In addition, the state is moving on policies that will benefit families, reduce infant mortality and provide more health services for its citizens, particularly youth, improve the environment and improve educational services at all levels. Let's now focus on that area of concern.

Michigan's Educational System

Michigan school enrollments have been in steady decline since 1970-71, when enrollment stood at 2,142,000. Any number of other indicators need to be read with this in mind (see Table 7).

These data indicate the consequences of a stable state with little in-migration of new young families. Movers tend to be young families and those just starting families. If you do not have a steady movement of such people into the state, your average age goes up rapidly, and soon the number of children declines. Livonia, Michigan is just one city in which retired factory workers are staying in their homes, unintentionally excluding younger families with children from moving in. Thus, every year, more homes *don't* have children in the public schools, making the passage of school bond issues a sensitive process.

Enrollments in Michigan reflect this phenomenon. The last item in Table 7 establishes that there is no "Baby Boomlet" in Michigan, and the decline in students will therefore continue, although the major drops are now past, and youth populations will be coming close to stability in the year 2000 or so.

Michigan pays its teachers well, by any standard. However, the amount spent per pupil ranks the state only 21st, suggesting that a fair amount of money goes into budget categories other than teacher salaries. Where does it go?

Table 7
MICHIGAN SCHOOL PROFILE

		Rank	U.S.
Total Enrollment, 1987-88	1,520,000		
Enrollment Change, 1980-86	−9.7%	44th	−2.8%
Percent Minority Students	22.3%	22nd	30.0%
Precent Handicapped Students	10.0%	40th	11.1%
Nonpublic School Enrollment, 1987-88	188,000	11% of state	
Teacher Salaries, 1988	$32,926	5th	$28,044
Current Expenditures per Pupil, 1988	$ 4,122	21st	$ 4,209
Funding Sources, 1987:			
Federal	3.5%		6.2%
State	33.9%		50.0%
Local	62.6%		43.8%
Student-Teacher Ratio, 1987-88	21.8	45th	17.6
Student-Staff Ratio, 1987-88	10.1	29th	9.4
ACT Score, 1988	18.8	17th*	
Advanced Placement Seniors, 1988	7.5%	30th	10.6%
Graduation Rate, 1982	71.6%	28th	69.5%
Graduation Rate, 1987	62.4%	48th	71.1%
Graduation Rate, 1987 (Michigan's Data)	73.1%	28th	

	1980	1987
Adults with College Degree	875,000 (13.7%)	977,000 (14.8%)
Adult High School Dropouts	1,819,000 (28.5%)	1,545,000 (23.4%)
Single Parent Children	577,000 (19.1%)	713,000 (26.6%)
Children in Poverty	360,000 (11.9%)	597,000 (22.3%)
Minority Children	618,000 (20.5%)	642,000 (23.9%)
All Children, Age 0-18	3,019,000	2,685,000
Children, Age 0-5	685,000	661,000

*Of 22 states using ACT.
Source: U.S. Department of Education. Secretary's office, *Chart of Education Indicators*, 1989; and Population Reference Bureau, 1988.

For one thing, in 1987-88, there were 82,000 teachers in Michigan's schools and *83,000* non-teaching personnel, which includes 26,000 instructional support staff. These numbers astonish visitors from other countries, but in America there is generally one paid teacher for one paid non-teacher in our schools. Big city school systems like New York, Chicago and Detroit, have developed layered bureaucracies that are very inefficient and *very* hard to change. Michigan's classes are too big. With the country averaging 17 students per teacher, Michigan averages 21.8, putting it 45th, with elementary enrollments about 25.

Class size *does* have an impact on learning in certain conditions, but reducing class size is one of the most difficult and expensive things to attempt, as you not only

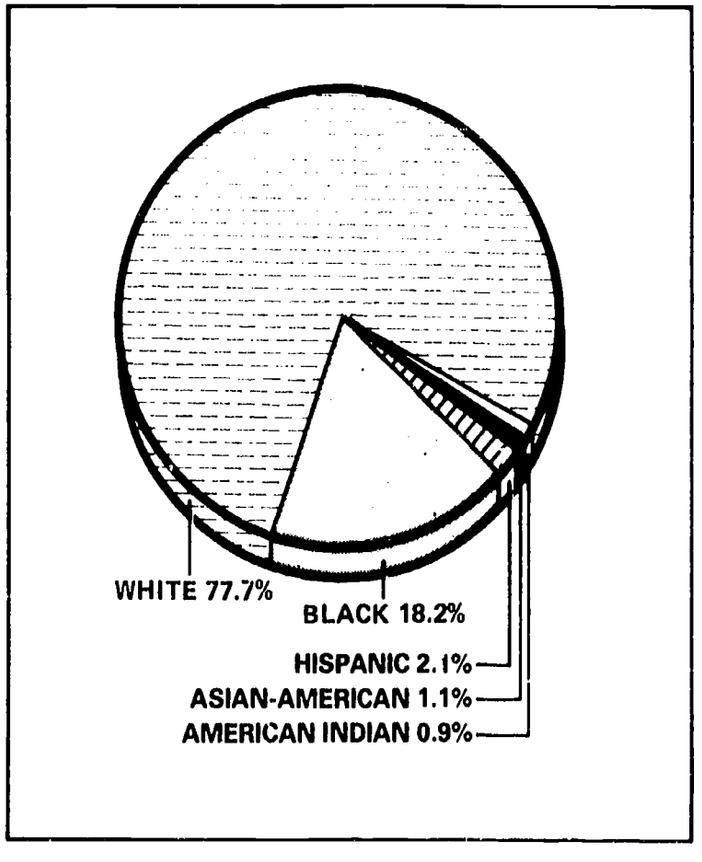
have to hire more teachers, you have to build new classrooms for them to teach in. In addition, Michigan is one state that flies in the face of the national trend to increase state expenditures for schools and decrease local contributions. (In the nation, only 43.8 percent of funds came from local sources in 1987 and 50 percent from state, while in Michigan 62.8 percent was local and 33.9 percent state.)

At 11 percent of total enrollment, private schools are somewhat less of a factor in Michigan than in the nation (about 13 percent). Catholic school enrollments seem to have declined even more than public schools, although there is no recent national data source to support this. (Catholic families are one person smaller than they were in 1970, in the U.S.) Suburbanization has something to do with this area, but facts are few.

Michigan's schools reflect the state's low level of ethnic diversity, although youth are slightly more nonwhite than the adult population. Michigan's youth population remains below the U.S. average in racial diversity through 2010—in that year, 29 percent of Michigan's youth will be nonwhite, compared to 38 percent for the nation. The largest minority group is clearly black, as can be seen in Chart 2.

Over the 1977-87 period, white students decreased by 3.5 percent, American Indians decreased by a fraction, Hispanics increased by .5 percent, blacks increased by 2.5 percent, according to the Michigan State Board of Education in their excellent report, *Conditions of Michigan Education, 1989.*

Chart 2
RACIAL COMPOSITION OF MICHIGAN'S SCHOOL POPULATION, 1987-88



Source: Michigan State Board of Education, *Condition of Michigan Education*, 1989.

Like Massachusetts, New Jersey and Connecticut, Michigan has made a priority of educating the handicapped, although the national rankings don't show it. The reasons for this are clear. The state's relatively low level of per pupil state funding plus a low level of federal funds mask the state's major commitment of *local* funds for special education. Indeed, Michigan was one of several states whose special education statutes were used as models for the federal mandates known as P.L. 94-142.

In achievement terms, the state's performance on the ACT taken by high school seniors ranks 17th among the 22 states making use of the ACT program. In the percent of students enrolled in Advanced Placement courses, Michigan ranks 30th of the 50 states. Several other indicators of performance are presented in the *Conditions* report already mentioned. Indeed, looking at the ratings Michigan citizens give their schools (half rate the schools as either "A" or "B") it is not clear what the evidence is that allows for the high rating!

There is considerable difference in the graduation rates figured by the U.S. Department of Education and those from Michigan, indicating a problem in general with the way states compute dropout numbers. (The problem seems to be in the computation of the number of 1986-87 graduates.) However, even if the Michigan data turns out to be correct, Michigan still will rank only 28th in graduation rate. It is curious that other similar states like Pennsylvania and Ohio—big, urban, manufacturing, large poverty pockets—do so much better on high school graduation rates. (Ohio is now 8th in graduation rate, Pennsylvania is 15th.) Although the *rates* may vary some from year to year, the *ranks* usually remain quite the same, just like EPA mileage ratings. It would seem that there is a real issue here, even with the debate above—accepting the Michigan data, why is the graduation rate so relatively low?

Certainly the data we have presented on the increasing numbers of Michigan children in poverty and being raised by a single parent may be part of the answer. Indeed, the numbers suggest that the group in Michigan that has born the major brunt of the economic problems of the past decade is young children. The evidence of poverty from the Population Reference Bureau is supported by the AFDC data from the Census Bureau. But this explains *future* low graduation rates more than anything else. What else is going on? My *personal* speculation, based on little evidence, is that in Michigan the stereotype still exists among youth that you can drop out of high school and still get a good job in an auto factory, as people have done since the 1950s. The notion that a poorly educated man can work in a factory and have two cars in the garage, three kids, a home and a non-working wife is simply an abberration in American history, never seen before 1950 and never seen again after 1980.

Some good news is found in the Michigan adult data—Michigan is increasing in the number of college graduates even during a period in which the state population was

declining, while adults who dropped out of high school declined in the adult population by 300,000 during the 1980-87 period. This allows us to be cautiously optimistic about the educational level of Michigan's workforce, but makes even more important the task of reducing the state's high youth poverty and dropout rates, no matter which data is used. To get a complete picture, we have to look at the entire educational system.

Michigan's Higher Education System

While the state is dominated by the "flagship" University of Michigan, the state has a well-developed system of 15 public four-year institutions and 43 private four-year ones, plus 29 public two-year institutions and 4 private two-year ones, as well as 347 vocational institutions. One problem is the lack of a statewide governing board, plus a complex arrangement of elected and appointed boards for individual institutions. According to the Almanac of the *Chronicle of Higher Education*, published September 1989, the higher education enrollment for Michigan is shown in Table 8 below.

Table 8
MICHIGAN HIGHER EDUCATION ENROLLMENT, 1988

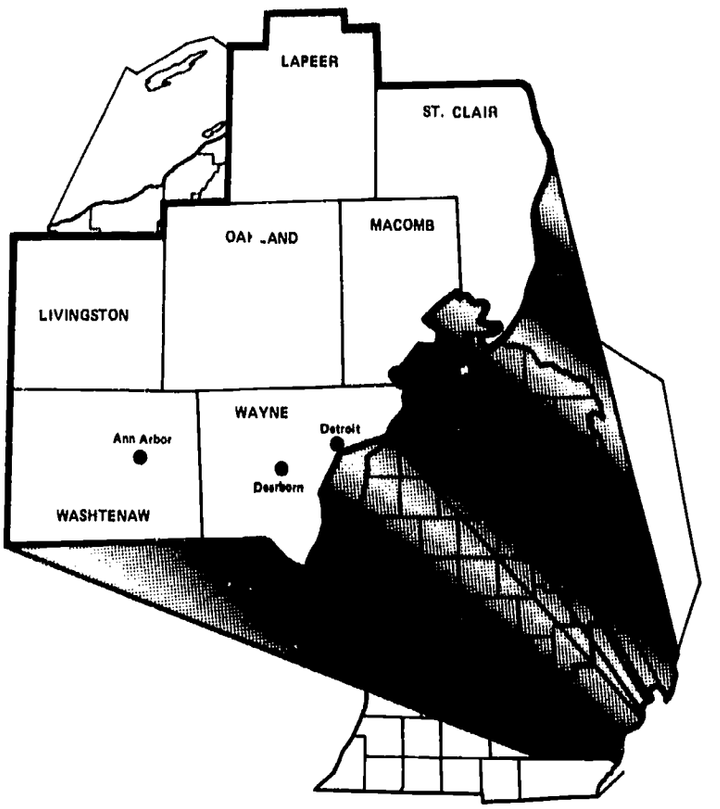
Public 4-Year Enrollment	**244,288**
Public 2-Year Enrollment	**215,025**
Private 4-Year Enrollment	**72,557**
Private 2-Year Enrollment	**3,616**
Total Enrollment	**535,486**
Part-Time Enrollment	**49.5%**
Women Students	**54.2%**
Minority Students	**12.6%**
Foreign Students	**2.3%**
Enrollment Change, 1978-88	**+11.2%**
Percent of Freshman Who are State Residents	**93.0%**
State Funds for Operations	**$1,338,033,000**
Change, 1986-88	**+9%**

Source: The Almanac, *Cronicle of Higher Education*, 1989.

Although there were some cuts, higher education certainly did not have to share the effects of the 1982 recession. By and large, Michigan's higher education system is well-placed in location, flexible in mission, reasonably well-funded, attractive to business and to students as well. While the links between public and private institutions are not coordinated as extensively as in Pennsylvania and New York, independent institutions play a vital role in the Michigan higher education system. Although the chances of graduating from high school in Michigan are not terribly high, the chances of going to a college once you *do* graduate are very good indeed. (Unfortunately, data on how many college freshmen actually graduate "on time" is not easy to come by.) An interesting footnote here is that Michigan *is* one of the nine states with half the people, and these same nine states produce half of the Ph.D. degrees awarded in the U.S. each year. They also probably produce half of the tooth paste, shoe and watermelon sales, to name but a few.

The large enrollment of part-timers, usually older students in community college settings, suggests that Michigan's higher education is closely linked with the state's needs for an increasingly well-educated work force, as most part-time students are involved in either job access or promotions. The state continued to fund higher education even in difficult economic times, resulting in a system that has "weathered the storm" comparatively well. However, minority percentages are low, and the state needs to make more of an effort at establishing college access for all students regardless of race. (Eight point six percent of the Michigan State's student body is minority, 11.7 percent for the University of Michigan and 19.3 percent for the University of Detroit.) This is partially due to the low rate of black suburbanization in the state, and suggests that higher education and public schools need to work on this problem in tandem.

THE SPECIAL CASE OF THE DETROIT METROPOLITAN AREA



Of Michigan's 9,300,000 citizens, about 4,400,000 live in the Detroit metropolitan area, which is the *fifth* largest of the 100 top metro areas in the nation. Just a shade over 2 million live in Wayne County, which contains the City of Detroit, making the "suburbs" and surrounding areas larger than the city itself, a not uncommon event these days. In addition, the "core" city is declining a little in population, while the surrounding counties are increasing (except for St. Clair). The counties in the Detroit metro area show the following growth (see Table 9 below).

We will concentrate most of our attention on Wayne, Macomb and Oakland counties, containing as they do 3.9 million of the 4.4 million metro total. But first, we need to look at the entire Detroit metro area, where we can find some good news in the last few years.

Most important, while the auto industry still dominates Detroit's economy, diversification in the retail, business services and financial services areas have increased since the 1982 recession, covering the decline in durable goods manufacturing, and resulting in declines in unemployment from 16 percent in 1982 to 8 percent in 1987, while per

Table 9
DETROIT METROPOLITAN AREA GROWTH, 1987–1990

County	Population, 1987	Change 1980-87	Change 1988-90(est.)
Lapeer	75,383	+ 5,510	+ 2,199
Livingston	113,407	+ 13,354	+ 3,634
Macomb	744,223	+ 51,262	+ 8,361
Monroe	146,276	+ 11,934	– 142
Oakland	1,074,160	+ 64,754	+ 18,509
St. Clair	138,071	– 404	+ 2,843
Wayne	2,098,662	– 233,665	– 28,559

Source: These numbers, plus the ranking of top 100 metro areas, are from Data Resources, Inc, *Metro Insights, 1989.*

capita income growth is one of the highest in the nation. Employment growth since the last recession in 1982 has ranked in the top third of the nation's metros, averaging 4.7 percent a year, even though manufacturing employment growth declined from 1985-87 by about two percent a year. In terms of overall economic growth, Detroit has done better than Michigan and the nation since 1982! Here are the areas of new job creation during 1983-87:

NEW JOB CREATION, 1983–87	
Trade	60,769
State, local government	42,319
Health, education	40,468
Business services	37,374
Building contractors	26,571

Source: Data Resources, Inc., *Metro Insights*, 1987.

While Detroiters fixate on the auto firms as being the *only* source of jobs, the facts are different as shown below.

Major Manufacturers in Detroit and Total Jobs, 1987	
Pontiac Division, GM	13,509
GMC Truck and Coach Division	12,500
GM Truck and Bus	11,500
Chrysler Corporation	9,000
Ford Motor Company	7,500

Major Non-Industrial Firms and Jobs, 1987	
Detroit Edison Company	13,037
Michigan National Corporation	7,685
Michigan Bell Telephone	5,100
National Bank of Detroit	5,089
William Beaumont-Troy Hospitals	4,999

Source: Data Resources, Inc., *Metro Insights*, 1987.

While the wage levels are most likely higher in Detroit's manufacturing sector, the growth of new jobs has clearly occurred in non-manufacturing areas. Detroit's location is excellent for products and services—32 percent of the nation's major markets are located within 500 miles. Another locational benefit is proximity to Canada, our number one trading partner. This relationship has transformed Buffalo, New York, a five minute drive to the border and 90 minutes from Toronto. Because everything is expensive in Canada, Buffalo is today a thriving city with unemployment down from 13 to 6 percent, 400 Canadian firms with some foothold in Buffalo, cheap housing costs and a *35 percent* growth in housing starts from 1987 to 1988!

The major free trade agreement passed at the beginning of 1989 creates a "Common Market" condition between our two nations, which can benefit not only Buffalo but Detroit as well. Indeed, given the fact that the Buffalo "World Trade Center" is now under construction, Governor Blanchard's plan for a Canadian Trade Center may be a little late off the starting blocks. *Both* Buffalo and Detroit have traffic jams at the border which will have to be remedied before office buildings celebrating no-tariff trade will become operational realities. Both New York and Michigan have a history of taking Canada for granted, and this attitude will also have to change, as Minnesota, Illinois and others begin to gear up for free trade with Canada. (In fact, some cooperative efforts between New York and Michigan would probably enhance the profitability of both states in the Canadian market. Given that all the players will be around for a long time, collaboration over a decade would make better sense than state versus state over 12 months.)

Detroit has a higher percentage of people in the work force than does Michigan—2.2 million people, which is the 5th largest work force of any metro in 1987, expanding 2.9 percent a year from 1983 to 1987, while the average for the top 100 metros was only 1.9 percent for the period. However, future work force growth is likely to slow. One of the problems is the educational levels of the Detroit work force. Nearly 32 percent of the adult population in the Detroit metro area have not completed high school, compared to 29 percent for the 100 largest metros. Twenty-nine percent of the Detroit adults have had at least one year of college, compared to 35 percent for the top 100 metros. In terms of college, Detroit ranks *87th* of the 100 largest metros. Although progress is being made, this is an area of serious concern in terms of attracting businesses to the metro area.

There are some other bright sides to the Detroit picture, particularly residential construction. Since the recession low of 3,600 housing starts in 1982, rates have zoomed to 33,700 per year in 1987. However, because of the lack of available land, a large number of these are multiple dwelling units. Nonresidential construction has also improved since 1982, with one exception—the construction of libraries, schools and religious buildings!

As we think of the strengths of the Detroit metro area, location emerges as a major one. It's only a day's drive from Detroit to 30 percent of the nation's markets, and the intersection of four major freeways, plus air, water and rail access make location a plus, both for trade and distribution of Detroit-manufactured goods and services. In fact, business services and finance, two areas that serve regional and national markets, are likely to be the best cards in the Detroit poker hand, as they represent stability while the *local* Detroit economy, especially manufacturing, gets restructured.

The major weakness is this very restructuring process. The heavy reliance on the success of the Big Three auto makers creates an unstable economy, and a work force that is *certain* to decline as the auto makers strive for more output from fewer workers. (The pricey jobs in financial and business services are often located outside Detroit in the suburbs.) The lack of educational levels in workers is another problem, making the restructuring harder as workers have fewer transferable skills. Although trans-

port systems are an important Detroit virtue, the *road* system is in great danger of massive gridlock in a decade or less, as populations move to new locations in the metro area. Another is the tendency of many state legis'ators to "write off" their major cities in which so much trouble exists today—Illinois does it with Chicago, New York State with "the City," and Michigan does it with Detroit. Strong gubernatorial leadership could turn this attitude around.

Wayne, Oakland, and Macomb Counties

Although these three counties are not the entire Detroit metro, they represent about 90 percent of the population and most of "the Action," however defined. Some very interesting patterns have emerged that involve all three counties. We will attempt to describe each county in terms of the other two.

Wayne is not just the largest county in Michigan, it is the 6th largest in the *nation*. (That's in 1987; in 1980 it was 4th largest, but has been taken over by San Diego and Kings County in New York.) Of its 2,164,300 residents in 1986, 1,086,220 Wayne County citizens reside in the City of Detroit, down from 1,203,369 in the city in 1980. Ironically, Wayne is number 1 in population *decline* from 1980-86, losing 173,000 people. What is left is an increasingly older population, particularly landlocked retired auto workers. As a result, Wayne is 4th in the nation in "transfer payments"—money taxed from the pay of younger workers to provide services to elderly persons in need of assistance. In 1989, this figure has risen from $5.1 billion to an estimated $6 billion, with more increases to come. (One of the good things about Detroit is the very large percentage of revenue devoted to caring for citizens in need. This includes but is not limited to auto worker negotiated benefit plans. However, the *needs* are even greater than the resources.) In terms of density, no one in Michigan even comes close—3,519 people per square mile in Wayne County. It may be useful here to present some comparative data for our three counties in some different areas (see Table 10 below).

Some easy generalizations from this data are: first, and most important, Wayne's population loss is far greater than the gains in Oakland and Macomb, meaning that most people leaving Wayne have not moved to the other two counties, even though a considerable number have become "suburbanized." Second, school declines have been proportionately greater than adult declines in Oakland and Wayne, and spectacular in Macomb, given the stability of the adult population. Third, the minority population of Wayne is huge in percentage compared to Oakland and Macomb, suggesting that *minority* suburbanization is just in its infancy in the Detroit area. (Prince Georges County, outside of Washington, D.C., is now a *majority* of black middle-class suburban households.) Fourth, Oakland seems to be where the money is, both in per capita income and in the value of building construction permits, evenly distributed between residential and business construction. An inference from these data is that *jobs have been moving to Detroit's suburbs as well as people*, and that a large number of the best paying jobs have moved to Oakland County.

Oakland is going through some fascinating changes today. It represents for many the *first generation* of black suburbanites. Many of these families have children who began their education in Detroit elementary and junior high schools and now find themselves in much more demanding educational settings in Oakland secondary schools. Other black families have moved to Oakland from Macomb ("black flight") in order to take advantage of educational and occupational opportunities there. Although a number of schools in the 24 school districts in Oakland have as much as 70 percent minority students, it is usually middle-class minority populations. A large number of immigrants

Table 10
WAYNE, OAKLAND, AND MACOMB COMPARATIVE COUNTY DATA

	Wayne	Oakland	Macomb
Total Population, 1986	2,164,300	1,025,800	697,200
Total Population, 1980	2,337,843	1,011,793	694,600
School Enrollment, 1987	361,819	170,124	118,295
School Enrollment, 1980	445,072	200,560	148,770
Minority Population, 1986	38.9%	7.5%	2.6%
Crimes, 1985	215,962	64,379	40,395
Per Capita Income, 1985	$10,681	$15,485	$12,398
Building Permit Value, 1986	$835M	$1,532M	$562M

Source: U.S. Bureau of the Census, *County and City Data Book*, 1988.

are moving to the county, particularly Asian and Middle Eastern groups. (Superintendent Keane reported that a large number of valedictorians are from Asia and India.) Many students do not speak English, but the languages they *do* speak may range from the expected Spanish to Hindi, Urdu, Mandarin, Lebanese and Korean. (There seems to be a very large influx of Iranian, Chaldean and other Middle Eastern families—in Dearborn, some 15 year-old females in school have had marriages "arranged" by their families. Dearborn is reported to have the largest number of Arabic speaking people outside of the Middle East.) Another aspect of Oakland is the very rapid growth of international corporation headquarters, which is good for the tax base and also provides a number of high achieving children in the schools.

Both Middle Eastern and Asian cultures gravitate to small business when they immigrate, and a large number of restaurants and "mom and pop" stores in the county are now owned by people from these groups. (This always creates some hostility with existing black populations, just as it did when Jewish store owners took over most of the small businesses in Harlem.) Largely because of these new populations coming into Oakland from other nations, from Detroit and from Wayne, elementary school enrollments in the county are beginning to increase, especially in the early grades. All of the incoming populations have high fertility rates, suggesting that they will increase as a percentage of the Oakland population through time.

Macomb is very different. It was the first "white flight" suburb out of Detroit, and was described to the author as a "poor cousin" of Oakland. Politics in Macomb are "big city" in style, with back room deal cutting still very popular, making county school leadership more difficult than in many counties. While ethnic diversity is increasing, it is mainly Hispanic, with a stable black population of about 3 percent of school enrollments. (Several people mentioned the "leapfrog" effect—middle-class blacks living in Detroit try to move directly to Oakland by jumping over Macomb.) The lower half of the county is heavily populated with retired auto workers. Indeed, from Romeo on, the active workers are just as heavily line workers, foremen and supervisors.

Some growth in the county is encouraging. Along with Oakland, Macomb borders on the "Ann Arbor high tech corridor." The theory is that Research and Development in Ann Arbor and the University of Michigan will be implemented in factories in Oakland and Macomb. So far, this seems to be working. However, the major growth in Macomb has been in retail, particularly *shopping malls*, which now abound on virtually every city block, as well as car dealerships. Perhaps taking their lead from the huge Lakeside Mall, most malls border on the heroic in their proportions. Some of this is catch-up, filling in the retail opportunities for a suburban population which does *not* want to go to downtown Detroit to shop. However, a major problem has arisen, in that these retail outlets are designed to be accessible by private passenger cars. Period. There is little public transportation that will get you from your home to a shopping mall in Macomb, or Oakland for that matter. At this time, the East-West corridors, particularly around Highway 59 in Macomb, stop moving during long periods of the day. Because roads have not expanded as the population has, the retail business on which Macomb depends heavily is in some jeopardy.

The other booming "industry" in Macomb is prisons! Partially in response to the Governor's initiatives, Macomb is building a large number of new prison cells at an average cost of about $50,000 per cell. (Remember our earlier discussion of the fact that 80 percent of prisoners are high school dropouts and that each prisoner costs upwards of $20,000 to maintain.) However, these prison construction contracts provide a large number of well-paying jobs both in construction and in the sewer lines that must be snaked in between existing roads and buildings.

While the economy of Macomb County is diversifying, its population is much more stable than Oakland's, both in school enrollments and in general. Both Oakland and Macomb voted heavily Republican in 1984, while Wayne went Democratic, suggesting the "suburbanization" of the two, even though Macomb seems to be much more blue collar or "working class" than does Oakland with its international corporate headquarters and its increasing supply of executives, managers and professionals.

As jobs increasingly move to the suburbs in Oakland and (to a lesser extent) in Macomb, Michigan is beginning to encounter a phenomenon seen often in the U.S.—the former bedroom suburb, now transformed to a self-contained "edge city" in which most people live *and* work. Irvine, California now has as many jobs as households, and is in no sense a "bedroom" for Los Angeles. Washington, D.C. is creating a number of edge cities from Rockville to Chantilly. More jobs will be created outside the beltway than now exist *within* the beltway. Dearborn seems to be another edge city, decreasingly dependent on Detroit. Just as most Chicago commuters are going from a suburban home to a suburban job (63 percent in 1987), so most people in Dearborn live their lives there. In a presentation made by this author last year in Dearborn, a big majority of the Dearbornites in the audience indicated that they had not been to downtown Detroit in the last three months. The two "growth corridors" that are filling in rapidly are the one west to Ann Arbor and northwest to Pontiac. In the future Detroit can count on many other "edge cities" developing on its margins, but not contributing to the core city from which it nevertheless receives many benefits.

Focus on Detroit Schools

Although there are 34 school districts in Wayne County, we will concentrate on the 190,000 students in the Detroit Public School District. In the *Report of the Select Panel on Detroit Public Schools*, published in December, 1988, Detroit schools are continually contrasted with Group B ("large district") schools in Michigan. These comparisons are going to be misleading just because of comparative size, as seen in these 1987 enrollment figures shown below.

1987 School Enrollment	
Detroit	195,871
Flint	32,767
Grand Rapids	31,915
Utica	24,674
Lansing	24,629

To understand Detroit, it needs comparisons with other school districts *of its same size and complexity*, which means comparisons with, in order of size, New York, Los Angeles Unified, Chicago, Dade County (Florida), Philadelphia and Houston. Some of the best data for this come from Gary Orfield's report to the National School Board Association in 1988.

Table 11
School Enrollment, 1967 and 1986

District	1967	1986
New York	1,101,804	946,659
Los Angeles	652,608	587,632
Chicago	574,801	427,570
Dade County (FL)	220,011	243,690
Houston	256,459	194,573
Philadelphia	279,907	187,139
Detroit	293,000	159,669

Source: Gary Orfield, *Racial Change and Desegragation in Large School Districts*, 1988.

Table 12
Change in School Enrollment, 1967–1986

District	Number	Percent
New York	−155,145	−14%
Los Angeles	− 65,426	−10%
Chicago	−147,231	−26%
Dade County (FL)	+ 23,679	+11%
Houston	− 61,886	−24%
Philadelphia	− 92,768	−33%
Detroit	−133,331	−46%

Source: Orfield.

With the exception of Miami, all the other largest districts had severe declines, but nothing like Detroit in terms of percentage of decline. This put the system very much "at risk," losing almost half of its enrollment. Who is left? This is also a good question for Orfield's data (see Tables 13 and 14 below).

Table 13
Change in School Enrollment of Whites, 1967–86

District	Percent White 1967	1986	Change
New York	48%	22%	-26%
Los Angeles	55%	18%	-37%
Chicago	41%	14%	-27%
Dade County (FL)	64%	24%	-40%
Houston	54%	17%	-37%
Philadelphia	40%	25%	-15%
Detroit	41%	9%	-32%
Dallas	63%	21%	-42%

Source: Orfield.

Table 14
Change in School Enrollment of Blacks, 1967–87

District	Percent Black 1967	1986	Change
New York	30%	38%	+ 8%
Los Angeles	22%	18%	− 4%
Chicago	52%	57%	+ 5%
Dade County (FL)	24%	33%	+ 9%
Houston	33%	43%	+10%
Philadelphia	58%	63%	+ 5%
Detroit	58%	89%	+31%
Dallas	30%	49%	+19%

Source: Orfield.

While all the largest school districts had considerable "white flight" during this period, *most did not become overwhelmingly black in enrollment, they became much more ethnically diverse*, particularly with Hispanic and Asian enrollments. Only Detroit and Philadelphia became more than 60 percent black, with Chicago very close behind. One of the major reasons was that blacks in these cities were "landlocked," unable to move to the suburbs. Black suburbanization has proceeded *very* slowly in Chicago, Detroit and Houston, as data from my *All One System* show (see Table 15).

Table 15
Percentage of Metro Blacks In Suburbs, 1985

Miami	69.0%
Newark	52.9%
District of Columbia	48.5%
Los Angeles	46.5%
Atlanta	46.0%
Oakland	39.5%
St. Louis	35.4%
Birmingham	34.1%
Philadelphia	27.7%
Cleveland	27.2%
New Orleans	24.6%
Baltimore	23.0%
Memphis	15.4%
Dallas	15.3%
Detroit	14.9%
Houston	14.0%
Chicago	9.0%

Source: Harold Hodgkinson, *All One System*, 1985.

Whatever the reasons for the low level of black suburbanization in Chicago and Detroit, it seems difficult to blame the schools for them! It is important to see that, in Detroit—Chicago—Houston, the number of "success models" in terms of black middle-class families who have made it to the suburbs is very small. In addition, going to school with people from a variety of ethnic backgrounds is different from going to an all-black school, which is the situation for a large number of Detroit young people, through no fault of their own, *nor the District's*. Table 16 shows the segregation levels in schools from Orfield's data.

Table 16
Percent of Black Students In 90-100% Non-White Schools

New York	74.1%
Los Angeles	70.0%
Chicago	81.3%
Dade County (FL)	59.2%
Houston	69.6%
Philadelphia	73.7%
Detroit	76.1%

Source: Orfield.

In 1986, a typical black student in Detroit attended a school that was, on average, 6.6 percent white. It is not that the white students are sitting in a small number of all-white schools in Detroit, it is that *they are not in Detroit at all*, as they have moved to Grosse Pointe and Dearborn. Until some system is devised to break down the dividers between city and adjacent suburbs, the demographic facts all suggest unequal opportunity in downtown Detroit schools, *even if they were run with the management expertise recommended by the Select Committee*. A simple look at the Louisville, Kentucky schools, now reorganized as the Jefferson County Schools, allowing suburbs and city to interact as one school district, will show what can be done when these barriers are allowed to be permeable.

The Select Committee's criticisms of Detroit schools are also very characteristic of criticisms of the other largest school systems in the nation, all of which have seen money, talent, political concern and educational leadership all depart for the suburbs. The seven quality recommendations of the Select Committee report—basically suggesting that Detroit Schools should be performing at the state average on academic achievement, simply misses the demographic evidence. In order to achieve these goals, the Detroit schools would have to be almost twice as good as the rest of the state's schools, as they have a *far* higher percentage of students who are seriously at risk of school failure even before they enter the school door on the first day of kindergarten.

To write off Detroit because class size makes "no difference" is to seriously misrepresent the facts. A more interesting question might be: Given the huge investment required to get Detroit's classes down to reasonable size, can some of the benefits of small classes be achieved even in larger settings?

There is no thought given in the report of reducing class size—a very costly procedure, currently panned because if you run *all school systems compared to all school systems*, neither per pupil spending nor class size makes much difference, if you're using achievement test scores as your measure of success. But how about dropouts? On that measure, there are some striking differences—smaller class schools in Michigan report a dropout rate about half that in districts with larger class sizes, even though test scores are about the same. (And when you look at the heavy spending districts, they generally *do* have smaller classes, and are generally in the suburbs. Parent educational attainment, heavily correlated with student achievement scores, is also higher in suburban small class schools. So wealth, well-educated parents, small classes and suburban settings *do* produce better test results!)

Detroit, on the other hand, has an average of *30* students per class in elementary schools, one of the largest averages in the state. A senior official of the Michigan Education Department has been quoted as saying "There is sufficient research that indicates class size makes a difference for poor children in early grades in the acquisition of math and reading skills...once class size is down around 15 students per teacher."

To write off Detroit because class size makes "no difference" is to seriously misrepresent the facts. A more

interesting question might be: Given the huge investment required to get Detroit's classes down to reasonable size, can some of the *benefits* of small classes be achieved even in larger settings? The answer, in terms of more teacher aides, dividing classes into smaller work groups with a trained adult in charge of each one, programs allowing each child to progress in each subject at his/her own rate of speed, greater parent involvement in their children's learning, and more effective teacher teams, is a qualified yes.

Head Start children graduate from high school far more often than control group children.

Anything that keeps Detroits's kids in school is bound to benefit everybody. About half of the graduates of Detroit's high schools go on to college, a respectable number for one of the ten largest school districts in the nation. But too many have dropped out too early, and therefore are not even in the college-going or job-getting games. As in our first Michigan report, it seems mandatory that every Head Start-eligible child in Michigan be included in a program, rather than the current 20 percent. The reason is clear: Head Start children graduate from high school far more often than control group children. The leadership on this issue shown by Governor Blanchard and Superintendent of Public Instruction Donald Bemis is very heartening, and it appears at this writing that the legislature may be forthcoming. The long term benefits from this investment will be at least $7 in later services (jails, drug counselling centers, unemployment centers) that will not be needed by the Head Start children during their lives, for every $1 in program costs. That *has* to be a "best buy" for taxpayers!

It seems likely that some interaction with neighboring school districts will be necessary to increase school achievement in Detroit, including downtown magnet schools, jointly funded by suburban and City budgets, open to students from that suburb as well as City students, plus a wide variety of other collaborative arrangements, could have some results. If poor black kids continue to attend schools populated with other poor black kids in very large classes without parental involvement, improving the management systems alone in Detroit Schools will have limited utility.

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DETROIT—SUMMARY AND RECOMMENDATIONS

Representing 4/9ths of Michigan's population, the Detroit metro area has shown better job growth than the state or the nation from 1983-87. While the core city has lost population (173,000 from 1980-86), jobs have moved to the suburbs and people have moved along with them, especially to Oakland, with smaller numbers to Macomb. Those who *cannot* move, however, are heavily poor, elderly and minority. The Renaissance Center is a splendid symbol of the *city's* development, but much of the action is suburban. The issue is complicated by the development of "edge cities" like Dearborn, increasingly independent of Detroit, and consisting of people who live *and work* in Dearborn, and go to downtown Detroit perhaps twice a year. In Oakland County, now bustling with new jobs, international corporate headquarters and banks, one fears that little or none of this affluence will benefit the City of Detroit. New economic developments with Canada *must* include activity that will benefit the City of Detroit.

RECOMMENDATIONS

- To understand Detroit Public Schools, we must compare Detroit with the other largest public school systems in the U.S.—New York, L.A. Unified, Chicago and Dade in Florida. (The otherwise excellent Select Committee Report of December 1988 is fatally flawed by comparing Detroit's schools, with 195,000 students in 1987 with Lansing's 24,000, allowing no comparisons with districts of Detroit's size and scope. Also, there are quality recommendations presented with no clue as to how they are to be attained.) As white and minority middle classes have fled to Oakland—Macomb, where the jobs have gone, demographic changes mandate a major look at Detroit's schools. This is an urgent task for the greater Detroit organizations that include city and suburb, for *both* are involved in the outcome.

- Wealthy suburban districts, which got that way because of Detroit, may have to give something back in the future. (Would there have been a Grosse Pointe if there were no Detroit?) This kind of collaboration could include cooperative magnet schools, located in Detroit, sponsored by several suburban districts, exchanging students and teachers around a common core of excellence; a "Michigan Scholars" program in Ann Arbor for talented students from Detroit schools to get them prepared for college by taking summer courses taught by University of Michigan faculty.

- A very small percentage of Detroit's minority citizens have "made it" to the suburbs, (Oakland is now in its first generation of black middle class residents) leaving inner city Detroit kids with few immediate examples of success, except for drug dealers. The author's data show Chicago and Detroit at the bottom of America's thirty largest cities in black suburbanization. The dilemma is whether to encourage more minorities to join the trek to the suburbs, or to provide opportunities to become middle class without leaving the city limits. (Columbus, Ohio, has a large black middle class living in the *city* of Columbus.) This issue needs to be decided soon by the state's leadership.

- Detroit's classes, now some of the largest in the state at 30 students in elementary, are full of poor children without adults at home who have succeeded educationally, *just the kinds of children who can benefit from small classes*. However, the cost of reducing classes of 30 students to 15 would be large. An alternative goal would be to provide some of the *benefits* of small classes without the crushing costs. Teacher aides, dividing classes into ability groups with a trained adult in charge of each one, continuous progress programs for each children in each subject area, mandated parent participation, teacher teams and improved teacher working conditions, are among hundreds of ways in which this objective could be carried out.

- Class size is *definitely* correlated with staying in school. (In fact, wealthy suburbs with well educated parents also have small classes.) Running all classes by all test scores and showing that class size doesn't produce high achievement simply shows the built-in fault of factor analysis. If you limit your interest to inner city children in poverty without educationally successful parents, there is no doubt that small classes (a) keep children in school and (b) increase academic achievement, the two major goals for education. There is also no doubt that accomplishing these two goals would do more to reduce Michigan's future prison expenditures than any other activity. *No one* in Michigan benefits, economically or socially, by having a young person drop out of a Detroit school.

MICHIGAN—SUMMARY AND RECOMMENDATIONS

The days of Michigan's "Rust Bowl" are over. Although the economy and work force are still too dependent on auto manufacturing, the economy is diversifying into trade, distribution and financial and business services, as well as the boom in tourism and retirement homes. Most of the new jobs created are in small businesses with fewer than 50 workers. The new "common market" with Canada gives Michigan (and New York) new economic opportunities.

Michigan populations are very stable, with few in and out movements. However, there are major increases in youth in poverty and kids being raised by single parents. Michigan is one of the nine states in the U.S. that contain more than half of the population. In most of the nine—California, Texas, Florida, New York and New Jersey—minorities will comprise more than half of the school children by 2010, only 21 years away. Michigan's youth will be 29 percent minority in 2010. There is no Baby Boomlet in Michigan, and youth populations will not increase in the next decade.

RECOMMENDATIONS

- The current efforts to increase the number of prisoners in Michigan (a good short-term strategy) needs to be paralleled by a *long-term* commitment to lower the high school dropout rate, much too high in Michigan no matter whose figures you use. Prisoners are a little more likely to be high school dropouts than smokers are to develop lung cancer. With a high school diploma and skills, young people will be able to get a job and stay out of crime, usually the only way a dropout can "earn a living."

- The current increase in new jobs and small businesses is encouraging, and more can be done to increase these start-ups, especially for Michigan's minority citizens. In addition, the development of the "auto corridor" from Michigan to Tennessee along I-75 could mean some important gains for Detroit and Nashville as the two hubs, even if *manufacturing* shifts south. (It turns out that about half of the profit in car production is in the manufacturing side, the rest is "upstream" in services like insurance, business, financial and computer services, advertising, etc.) Detroit is upstream of Nashville.

- Youth poverty in Michigan is high, and increasing. Children feel the effects of the 1982 recession more than any other group in 1989. A special program needs to be established for the single women who are raising *26 percent* of Michigan's children, providing them with work skills they need. Second, the excellent leadership shown by Governor Blanchard and Superintendent Bemis on the establishment of Head Start-type programs for very young children in poverty is a model for the nation. Hopefully, legislation that will allow every eligible child to be in such a program will be enacted. (At this writing, having *two* proposals on the fall ballot is bad news.) In terms of money *saved* in later services that aren't needed by Head Start kids (jails and drug centers for starters) Head Start is a taxpayer's "best buy."

- Although Michigan's high school graduation rate is low (even using the Michigan Department of Education's numbers), the rate of college-going for those who *do* graduate is high, although minority participation is still low. Michigan needs more collaboration among those who care about "quality control" among youth—businesses, schools and colleges. City level compacts are proving useful in many communities, and more could be established in Michigan.

- With few inmigrants, Michigan faces a future of more retired auto workers and fewer families with very young children. Nationally, a large increase in small businesses that provide services for retired and elderly citizens (usually run by older people who understand elderly and their needs) is transforming the economic landscape. A "small business set-aside" program in Michigan to encourage this activity will pay long-term benefits.

- Michigan has a remarkable educational asset in the form of all the *components* of an interactive, statewide television network to deliver educational programs, kindergarten through graduate school, to virtually any Michigan citizen. The costs of integrating these components is very small, although some bureaucratic lines will have to be crossed. Such a network would have important benefits for sparsely populated regions of Michigan, both children and adults.