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IS THERE A BETTER WAY TO PREPARE DISADVANTAGED
STUDENTS FOR COLLEGE?

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P R O C E E D I N G S

MR. HASKINS: Welcome to Brookings. My name is Ron Haskins. I'm a Senior Fellow here, and a co-director of our Center on Children and Families, along with Belle Sawhill. This is a way of saying nicely that I work for Belle Sawhill. Those of you who know her will appreciate that.

One of the most important activities at our center is publishing the Future of Children -- or at least I've always felt that way -- and we've been doing this since 2005. There's Belle right there. I just introduced you. There was huge applause, people screaming and everything. It was amazing -- yeah.

And today, we're releasing our latest finding on the Future of Children which, as all of you know, I presume, is on postsecondary education. There are volumes available at the reception desk, and also our policy brief. And we will be talking mostly, this morning, about the policy brief, although CeCe will summarize the entire volume.

Here how the events of the morning will go: After I get through introducing people, CeCe will give an overview of the volume, then I will give an overview of the brief -- a brief overview of the brief. And then our keynote speaker is Harry Holzer. Harry will address broader issues having to do with why low-income kids don't go to college as much as they should or could, and even if they do go, they often drop out, and so forth. So he's going to give a much broader perspective.

But we'll focus on the question addressed by the brief, which is how can we help kids through preparing them academically better for college? And we'll talk about that a lot today.

Then we'll have a brief discussion, and we'll give the audience a chance for questions of CeCe and Harry, or anything that comes up when we discuss. Then they will leave, without a break, and we'll bring up a panel. I'll introduce the panel at that time. They will each make a brief opening statement. I will ask them some questions and try to stir up some disagreement. And then there will be a chance for the audience to ask questions.

So -- we begin with CeCe. Wait, I get to introduce you. This is your moment of maximum danger and exposure -- I get to introduce you.

So, CeCe is the Dean of the Woodrow Wilson School of Public and International Affairs at Princeton, and two previous deans -- CeCe and the previous dean, were both editors of *The Future of Children*, so it's a wise thing to be the editor of *Future of Children*, if you're at Princeton. So far, no one at Brookings has been offered anything, but we're waiting.

She was a former member of the Council of Economic Advisors in the Obama Administration, and she's certainly one of the nation's leading experts on several education-related topics. She's an economist that has focused on education, and she's a senior editor of *The Future of Children*, which remains and continues to do, and edited this time, even though she also is a dean.

And, I just discovered, going through my volumes last night, that she edited the very first volume we did, back in 2005, which was on school readiness, closing racial and ethnic gaps.

I should also mention Lisa Barrow, who's at the Chicago Federal Reserve, and Tom Brock, who's the new Commissioner of the National Center for Education Research, are also co-editors of the volume along with CeCe.

When CeCe finishes, then it will be Harry Holzer's turn. And Harry's a professor of public policy at Georgetown. He's also a fellow, newly, fairly new, at the American Institutes for Research. And, by almost any measure, I think, people would agree that Harry is one of the leading labor economists in the country. I do have to tell you, though, that recent study at EPA showed that if Harry would stop publishing, vast forests would be saved.

CeCe.

MS. ROUSE: Thank you, Ron.

So, it is my pleasure and my role today to give an overview of the volume which, as Ron mentioned, was co-edited with Tom Brock and Lisa Barrow.

So, what I thought I would do is I would start with some stylized facts. I don't want to spend a lot of time on them, but they set the scene for the volume.

So, I think many people are familiar with the fact that when we think about educational attainment, in terms of postsecondary schooling, in the U.S. we've seen vast increases in the numbers and proportion of young people

going to college. In fact, in 1960, about 45 percent of young people went to college, and today it's about 70 percent.

What this graph does, is it normalizes the percentage of the population that's going on to -- has different levels of educational attainment in 1992. And you can see, the purple line at the top is the proportion that has an associate's degree in 2012 -- and that's an increase of about 60 percent over those 20 years. You can also see the proportion that have a bachelor's degree -- just a bachelor's degree, or who have a bachelor's degree-plus. It looks like a minus. That's a plus-sign, actually.

So, if you just look at the top four lines, the "some college" is sort of trending at keeping even, you can see that there's a growing percentage of individuals who are going on to college.

So, when it comes to increasing access, you know, we've done pretty well there.

Another stylized fact that everybody is painfully aware of is the fact that tuition and fees have been increasing, as well. So this is just -- just in the name of brevity -- this just looks at public two-year and public four-year institutions. The red bar is the gross tuition, or the sticker-price; the blue bar is an estimate of net tuition. You can see that, in both public two-year and in public four-year institutions, tuition has grown substantially over the last 20 years or so. You can also see -- and that's true in the not-for-profit sector, and in the for-profit sector. But you can also see that the net college price, the net tuition has grown much more slowly, a point that we try to emphasize in the volume, a point that

doesn't get enough attention -- many people don't understand, but is really what's very important for students.

That said, we have to acknowledge that tuition prices have been increasing over the last 20 years, as well.

So, along with that, we've had increases in student debt. So, what this is, it's a percentage of students who are borrowing, by the type of institution they first attend. So you can see that about 40 percent of students who start in a two-year, and this is how many have borrowed after six years. So, about 40 percent of those who start in a two-year public institution borrow after six years.

If you fast-forward, if you look at -- I shouldn't fast-forward, if you got to the public four-year institutions, currently, it's about 60 percent have taken out any money to borrow for their education over six years. And if you look at the for-profit, private for-profit sector, it's almost 88 percent in the most recent year, which is 2009, over six years that have borrowed.

So, you can see that more students are borrowing in order to pay for parts of their postsecondary schooling. And if we look at the amounts that they're borrowing, you can see increases there, as well. So those that borrow for public two-year institution, not surprisingly, borrow the least amounts because the tuition is obviously much lower there -- well, maybe not compared to the private for-profit, but that has to do with how much time they're in the institution.

If you look at the public four-year institutions, they're borrowing about \$20,000 over six years. And if you look at the private not-for-profits, it's about \$25,000.

I think it's important to emphasize that these levels are not as great as what one reads in the newspaper, typically; that students, most students borrow less than \$50,000 over their six years, even though, in the press, they can make it sound like students are borrowing, you know, hundreds of thousands of dollars to pay for their schooling.

In the volume, we talk about the importance of student loans in the financial aid package, but also recognize that there have been some increases, and it's -- rightfully, individuals are concerned, especially the students may not fully understand what they're doing when they take out their loans.

The last stylized facts that I wanted to talk about has to do with completion. So, while we've done very well on access, our rates of completion are not quite as stellar.

So what this is, is percentages of individuals that have achieved certain levels of educational attainment after six years by where they started. If we look at all students, about 50 percent of students, after six years, have not completed a credential or a degree, and that varies by sector, with the largest percentages among those who started in a public two-year institution. And this is part of the reason why much of the public policy focus has been on improving completion of some form of certificate or associate's degree. You know, they don't have to go on and get a medical degree if you start in a two-year institution, but for them to have completed some sort of credential in a two-year institution, that has been a lot of the focus, I know the Obama administration's been

focusing a lot, and many others -- I think the Gates Foundation is focusing there, as well.

So, where does this leave us?

So, I think I sort of summarize here, on this slide, three challenges in postsecondary. One is that our completion rates are lagging fairly far behind our enrollments.

Two, we have a high and rising cost of the price of postsecondary education.

And, three, we have, along with that, rising levels of student debt - - which leads some people to ask whether college is worth it.

But I think the more academic way to put this is: Is it possible for us to preserve our gains in access, and maybe even improve them if that seems right, improve student outcomes, and still keep college affordable?

And I basically want to say that this is kind of the question that lurks behind all of the papers in the volume that we're releasing today.

So, in the volume, what we have is -- I feel like I should -- so we have an overview of higher education over the last 30 years, which really sets the scene. We have an economic analysis of whether going to college is worth it. And an economic analysis, it's important to remember that we economists, we look at income and other labor market outcomes, but we also recognize that there are many other benefits to going to college, as well, and we have to keep those in mind as we're asking this question.

We have a paper that addresses financial aid policy. We have a paper that addresses students supports -- developmental education and other supports, such as child care, mentoring, tutoring. A lot of the reason why we're concerned about the student supports and developmental education is many students come to college not prepared for college-level work, and so we have a paper on that transition from high school to college. That's really a focus of the policy brief, and so I'm not going to say as much about that going forward.

We have a paper that looks at for-profit colleges. They are the rising, the newcomer in this arena. About one-third of the increase in college enrollment over the past decade has been in the for-profit sector. And so we have a paper that looks at them, what do we know about them specifically.

E-learning in postsecondary is all the rage. In fact, in a couple of weeks, at Princeton, we'll be doing what we call our Practitioners Conference -- you're all invited to come -- where we will be focusing on technology.

And then, finally, we look at the big question that people are asking, which is part of the role of technology, is can we improve efficiency in higher education? Which is to say, can we get better outcomes for the same price, or at least get the same outcomes for a little less?

So, I'm going to just very quickly talk about what some of the key points of some of the papers, and then I'll turn it over to Harry.

So, first of all, if we think about that first issue, about completion lagging enrollment, what are some of the factors?

So, in the volume, especially in the paper by Eric Bettinger, Angela Boatman, and Bridget Terry Long, they look at remedial education or developmental education. We spend about \$3 billion per year on developmental education -- and these, again, are the students that arrive at college, or at a postsecondary institution not quite prepared to take those classes.

So, inadequate education has been highly correlated with completion. Inadequate preparation is correlated with completion. And so, you know, many people -- we invest a lot in trying to get students up to speed quickly.

The rub is that when individuals have evaluated the effectiveness of developmental education -- which is to say, if we take two students that have basically got the same level of preparation, put one in developmental education and one not, and they do this -- no one's going to really go for a randomized experiment in this space, at least I don't think anytime soon. So, instead, what they take advantage of, and they summarize literature, where there are cutoffs from a pre-test, and so they look at students that just pass out of taking developmental education and students that just don't pass, where it's sort of random -- you know, did you get your cup of coffee before you took the test or not that morning? -- as opposed to the underlying preparation, and they compare the results of those two students, one that's placed in developmental education and one that's not, the result is, in this literature, the results are really quite mixed.

And whether -- the effectiveness of developmental education depends on the institution, on the State, the type of student the type of program

such that it's very hard to generate an average assessment, an overall assessment of the effectiveness of developmental education.

They argue that probably the promise of more effective developmental education means it needs to be a little more accelerated, and needs to probably combine developing basic skills along with college materials -- so, college-level courses. But, really, this is a space where we need more experimentation and more study.

We also talk about student support services -- this is in terms of tutoring and child care. Again, this is an area that many people believe should make difference, in terms of completion. The evidence here is not as big as we would like, meaning we need to have even more study. But the evidence we do have suggests that it's not that -- you know, it hasn't been that effective or -- I want to be more charitable, say it's been mixed. But it's not a slam-dunk that providing more services helps students.

Again, I think this is a call for innovation, and for us to learn new ways to deliver the support services. What aren't these working? -- and for us to experiment and study.

And, finally, in our paper on financial aid by Susan Dynarski and Judith Scott-Clayton, they really highlight that there's a lot of aid available. We pay about, or the Federal government spends about \$37 billion a year on Pell grants. They serve about 9 million students -- and that's just Pell grants. And yet the process by which students apply for this aid is just so complicated, and

there's some good evidence that when it's simplified, it helps student access and completion.

So, the next part -- and, really, a lot of the nuggets that, I think, puts postsecondary education at a crossroads, are the rising costs. So what are the sources of these rising costs?

Well, one is decreasing State subsidies. So, State subsidies have decreased by half over the last 30, 40 years, meaning that States have been forced to increase tuition at public institutions. That affects a lot of students. So that's one source.

Another source is what they call the "cost disease," which is a very labor-intensive endeavor. And as the wages that are paid to skilled workers goes up, so, in higher education, they need to pay their faculty more, as well. So we're looking for ways to be able to use more capital in exchange for some labor. In other words, can technology help to break or bend the curve in terms of increasing costs.

So this has been the focus of much activity in recent years. In a paper by Brad Bell and Jessica Federman, they review the evidence. In general, they conclude, in looking at meta-analyses, that students who are receiving the same learning in a technology environment -- what they call "e-learning." One thing you learn about this area is that there are so many terms, and so many forms of using technology that it's rather heterogeneous, and can be hard to get your arm around. So they call it "e-learning," which means, you know, a computer is used, or technology is used in the classroom, as a catch term.

But students who are taught with e-learning do about as well as those in the classroom. That's one question that one might have. There are a lot of barriers, though, that have to be addressed in order to effectively use it. You have to deal with fraud and cheating. And it's not clear that all students do about equally well in a technology environment as they do in a regular classroom, and so there can be some heterogeneity there, and how can we deal with that? And also, there are some challenges for access for low-income and disadvantaged students.

Finally -- and this comes into play, about how a lot of the reason for bringing a technology is not just to make the education better, but also to help break this curve -- is it actually cheaper? And that's actually a question we don't fully know the answer to. And so while we may have established that the benefits are about the same, in order for this to actually improve efficiency, we actually need to now see whether costs are lower. And that is something that's rather unclear in the literature.

So, we also have a paper addressing the role of for-profits. You know, they are this growing sector. They have a lot of advantages. They're nimble, they tend to be very responsive to the needs of the students and the private sector. They tend to serve more disadvantaged students, those who otherwise don't have a place even in our public institutions. And they've been very quick at adopting new technology and innovative ways of keeping students on track and helping them get through their programs.

On the other hand -- and this is a nascent literature -- we don't actually know whether the economic benefits of going to these institutions outweigh the cost to the students. They are so heavily reliant on Federal student aid that this is an area where the authors, David Deming, Claudia Goldin, and Larry Katz, really argue there's a reason for having more Federal accountability and Federal oversight, because their business model basically relies on Federal aid.

So, where do we go from here -- with my remaining minute?

So, when we look at these crossroads, the editors, the other editors and I sort of boil it down to three things that we came down to -- three things that will get it solved and we can go home.

One is, we think it's obviously very important to start to develop a consensus on what it means to be college-ready. This varies by State. And, furthermore, even within States, you have the K through 12 system, which often doesn't actually talk to the high ed system. And so what the K through 12 system is delivering for its exits may not actually meet what the level is at that postsecondary sector.

So we need to have a shared understanding of what it means to be college-ready. And Secretary Duncan adds in "career-ready" as well, and I actually think, if you drill down, a lot of those skills very overlapping.

We need more information about financial aid and the value of different college programs. If anything, it's important for students to make informed decisions. And that's a very appropriate role for the public sector, for

the Federal government and State governments, and we all need to have more information about this, so that students can make good decisions.

And, finally, we need to -- you know, the cost disease is a real issue, and we need to -- you know, technology, even if it hasn't been shown to be literally less costly -- and I think it's even, I think we still need to learn more as to who benefits or doesn't benefit from the use of technology in the classroom -- I think we need to be developing and studying the uses of technology, so we can find other ways to help slow the rate of growth.

So that is where we left it.

MR. HASKINS: Thank you.

MS. ROUSE: Thank you. (Applause)

MR. HASKINS: I just about got myself out. I'm used to that, but usually, I don't do it to myself. You guys are supposed to come in here and do the -- I'd better not touch this.

MS. ROUSE: Do we need to shut this? Is it loaded as another --

MR. HASKINS: Yes. It should be here at the bottom somewhere.

MS. ROUSE: Oh, it's not, though. This is really terrible. Thank you.

SPEAKER: Speaking of technology.

MS. ROUSE: Exactly. Right. You know, was that really effective?

SPEAKER: It's for unskilled workers.

MR. HASKINS: I might be technologically challenged, but I know, from previous experience, if I touch any button, the whole thing goes kerfloey, so I just stand there helplessly.

So, our policy, briefly -- we had a lot of discussion about what to pick as a topic. And Belle and I, for years, have been concerned, of course -- and our center primarily addresses -- the needs of low-income kids. And we have become convinced over the years, not everybody needs to go to college, the big recognition that even CeCe brought up, and it's addressed in the volume. But there are a lot of kids that could go to college, and it could make a huge difference.

And so we decided what is the single thing that we could address that would have the biggest impact on kids' from low-income families going to two-year or four-year colleges, some kind of postsecondary degree? And so that is what we chose as our topic.

Here's an overview of what I'm going to say to you in the next 10 minutes. The problem is very simple to define: There are too few poor kids who go to college. You could even have a more sophisticated definition, which is that there are kids who are qualified, who come from low-income families, whose test scores show could do well in college, who do not go to college. So that's an even more refined definition of the problem. But too few kids from poor families go to college.

Then I want to show you one or two things about what would happen if they did go to college -- in other words, would it address the problem of

having equality of opportunity in the United States and boost their income? And I'm not going to talk much about this, but maybe even have an impact on their marriage rates.

And then we want to talk about improving college enrollment and completion, which is really the heart of the problem.

We want to talk specifically about academic programs and what they're like, to try to prepare kids for college so they could do better, be more likely to qualify and do better once they get there.

And then we want to talk about our plan for improving these programs.

So, this is one of my favorite charts. This shows, at the top -- I'm not sure if this will show up -- somehow it doesn't work on that screen. So, the top two bar graphs are kids from the bottom fifth of income. So their parents are low income. And the top is kids from the top 20 percent -- so, roughly speaking, over \$100,000, the bottom is, roughly speaking, under \$20,000. And then, below that, you have, starting all the way at the bottom, you have the very bottom quintile, and all the way up to all five quintiles.

And the blue bar is did they enroll in college? What percentage enrolled in college. And then the light-blue bar is did they graduate? And you can see here, just enormous differences in both the college enrollment and the college completion of kids from low-income families.

This is from the Panel Study of Income Dynamics, which I think is really the best data set to make this kind of comparison so we can look at the

kids who are actually from the families of these various levels of income, and follow them through college as a longitudinal study.

So, this is a brief and complete statement of the problem. We do have a big problem. And we're a nation of equality of educational opportunity, don't forget that. And we're a nation where all men are created equal, and they can do well, and so forth. And yet look at this college attendance.

This is interesting, also a graph that comes from the Panel Study of Income Dynamics, and I want to focus your attention just at the bottom fifth -- so these are the quintiles. The kids that come from the low-income families, where do they wind up in their prime earning years? And so, take the bar graph on the far left, the bottom is kids from the bottom 20 percent, whose parents were in the bottom 20 percent, what's the probability that they won't wind up in the bottom 20 percent? If all things were equal, and we were truly a society of equality of opportunity, it would be 20 percent, or close to that. It's 45 percent -- so, more than twice, the odds are almost twice as great. And now look all the way at the top, and you can see only 3 percent make it to the top.

Now, what happens if they go to college? And the answer is, if you look over in the second set of bar graphs, look in the first bar graph, the probability you wind up in the bottom falls from 45 percent to 10 percent. The probability of making it to the top jumps from 3 percent to 10 percent. So these are just really enormous effects. If we could get more of these kids to go to college, the argument is, that we would be -- they would be much better off, and so would society, because we would have a more productive economy.

Now, why don't they go to college? And this is really essentially the argument -- I've already given you a little bit of this -- but the argument about these kids just are not ready to do the work.

So these are scores on the NAEP. The reading achievement in grade 12, and the light bar graphs are kids who are eligible -- in other words, they're poor because they're eligible for food stamps, so this is kind of a broad definition of poverty -- and then the kids who are not eligible. And, as you can see, the NAEP scores are "basic," "proficient," and "advanced." And some kids are even below "basic." In fact, way too many -- not just kids from low-income families -- this is one of the criticisms of K through 12 education in the United States -- even kids who are not from poor families do not learn enough in school.

But look at the contrast. Just look at below "basic" -- again, it's twice as frequent that kids from low-income families do not even achieve a basic education. Now, if you look at "proficient," again it's almost half as likely to become proficient.

So the point is, they're not being well educated. They're not ready for college. They're not ready for college work. And CeCe mentioned in passing that the remedial programs that we have at colleges are not very successful. I think you were somewhat generous called them "mixed." I think, really, they don't have a track record of success. So we cannot think that when they go to college we'll fix the whole thing up -- the K-12 system doesn't do a good job, but the colleges will do it, because they don't.

So, how would we improve college enrollment of kids from disadvantaged families? And there are lots of ways to go about this.

The most efficient, the best way by far, would be to improve the K through 12 education system. We're making tremendous efforts to do that. This administration and the previous administration have both made major efforts. But I would suggest that we not wait around for the K through 12 system to improve, and rely on that to prepare these kids for college so more poor kids could go to college. I think it's going to be a long wait.

Financial issues are a problem, of course, for low-income kids. We have a lot of money. Sandy Baum is here, will be on the second panel, and she does a magnificent study every year for the College Board, and shows how much college aid is available. It's something like \$250 billion a year from sources -- loans, and tax breaks, and so forth. So we do a lot, and a lot of that money is focused on low-income kids. So we do a lot in financial aid.

High school counseling -- the kids need to know about applying. CeCe mentioned the FAFSA, which drives kids crazy, and probably drives kids away. During the panel let's talk about this, the administration came in saying, "We're going to do something about -- " -- it's called the FAFSA, the Free Application for Federal Student loans, and yet we have not done much. So I don't understand why not. It needs to be simpler, so more kids would apply. And counseling can help that.

Parental involvement -- many of the parents of low-income kids are not nearly as involved. Most of them have not been to college themselves, so they don't know much about it. That could make a difference.

And then, of course, the academic preparation programs, that's where we want to focus our attention. And then the post-enrollment programs, once kids get there, their programs often are not very successful.

So, here's a typical college preparation program. Some of them have summer programs that focus intensely on scholarship. There are paid internships in jobs requiring postsecondary degree, academic tutoring in reading, writing, and math science, academic and core mentoring, and so forth. So you can see, there are a whole bunch of activities that are common to these programs.

There are various programs, and we'll show you -- in fact, let me do that right now -- here are four of the major programs, all of which have been evaluated. That's why we selected these programs. And the evaluations have shown that they are not very effective. So we spend about a billion dollars a year on these programs, and some other programs -- we actually spend about \$1.1 billion a year -- and the evaluations show that they're not very effective. The most effective one is called "Upward Bound Math-Science." I have no idea why that one is more effective than the others. It might have something to do with the kind of students they attract to the program.

But the point is: the programs do not work very well.

So what should we do?

The first thing that I want to know, that I'm going to discuss this with CeCe, because she was actually involved, the Obama administration has been more focused on evidence-based policy than any other administration we've ever had. They have six major evidence-based initiatives which, I think, are extremely important. They're a good way to improve the quality of our social intervention programs, and to know when they're not working so we can improve them. And these college preparation programs that I just showed you fit perfectly into the Obama mold of being able to use that money more effectively. In fact, this is one of the major goals of the administration.

So that is what we would do. We would create a new competition. The best way to do it would be to put all the money in a basket and let the Department of Education have -- you know, guided by the White House -- have a lot more say. Now, the Congress might not like this too much, but the idea would be to do research and demonstration. And all the people that currently get the money -- the money is all now competitive in these various buckets that I just showed you -- and so that would say the same. They would be eligible, but they would have to compete, and they would have to compete based primarily on their abilities to effect the outcomes we're looking for -- in this case, increased enrollment and increased graduation rates.

So we would create a system that we could do that, and we would be much better off as a nation. We'd help the low-income kids a lot more. They'd be more likely to go to school, and be more likely to compete. And the administration already has great experience doing this, so I think this would be a

great way to spend the money. I know it's controversial. There will be a lot of people that get the money now who'll object. And we always have this kind of conflict in our society when you have competitive grants, or some people are not too competitive. And, in order not just to get the money but to keep the money, you would have to continue to be effective, and the administration would put systems in place to evaluate that on a periodic basis. And you would have to continue your effectiveness, or you could lose your money.

By the way, we have done that, basically, with Head Start. And we don't know yet if it's going to work, but it's really a radical approach. And I hope we do it more. And this would be a perfect place to apply it.

Do you agree, Harry?

MR. HOLZER: Well, thank you, and good morning. I will need some assistance getting back to my slides.

MR. HASKINS: If you can be patient --

MR. HOLZER: That's not my strong suit. Here we go.

MR. HASKINS: Patience is not your strong suit?

MR. HOLZER: I know you know that.

MR. HASKINS: I'm shocked.

MR. HOLZER: Yeah. Well, thank you for inviting me today. It's a pleasure to be here, and to share the stage with my two friends and colleagues. You always learn a lot of stuff when you share a stage with CeCe, so that's great. With Ron, you also learn some stuff, but you hear a lot of great jokes, and have a good time, too. So the whole thing, I'm very happy to be here.

I'll try to do these three things: Again, I'll review the issue of higher education and disadvantaged youth, and that will repeat some of what you've heard already from Ron and CeCe, so I'll try to do that quickly. I'll make a few comments on the volume, and a few more comments on the policy brief by Ron and CeCe on the TRIO programs, and then just try to put some broader policy issues on the table, other things to think about when we're worried about this.

So, the dimensions of the problem -- and, again, we've heard some of this -- is it a problem of college access or completion? It continues to be some of both. Is that two-year or four-year schools, primarily? You'll see that it some of both. Is it mostly because of the personal characteristics of the students and their preparation and achievement levels, or the quality of the institutions that many of them attend? It turns out to be both. There's a very strong correlation that doesn't show up in these numbers, but the higher the quality of the institution, as measured by total expenditures, average SAT scores, the better low-income kids do in terms of finishing, even after you control very carefully for all their own characteristics. So matching them, trying to match them to better institutions is actually part of this problem.

And then a separate issue you don't hear as much about in these conversations, I think the labor market value of whatever it is they're completing has to be on the table, as well, and considered, as well. It's not obvious that -- especially disadvantaged kids, or other kids, in general, are making the most optimal choices of field when they go to college. Many of these people, by the

way, are not interested in a traditional liberal arts degree, they want to get ready for the labor market. And, in fact, it's not obvious that they're getting the appropriate guidance to make well-informed judgments on that. So, we shouldn't worry just about completing something, but whether people are completing things of value that will, in fact, be rewarded for them down the road.

But let me focus on the first three issues -- and this is very small print. Somehow I imagined that the screen would be more like this than like that. So if you can't see the numbers, you'll have to trust me to tell you.

These are numbers from the NELS data in 2000. And the NELS data was a cohort of eight-graders in 1988. So, by 2000, they were about 26 years old, about eight years out of high school. And, focusing on 200 numbers means you don't get to see the progress that's been made since 2000, and we know enrollment rates have risen quite a bit, especially during the recession. On the other hand, I think the NELS data, like many of these longitudinal data sets, they may overstate the progress that existed as of 2000, because there's always differential attrition out of these panel data sets. And actually, if you look at the data, you can see this pretty clearly: The lower achievers are more likely to drop out of the sample, and especially the male high-school dropouts, you see a big drop-off in their appearance in the data. So, I think those two things, hopefully, partially at least, offset each other.

What do you learn from these numbers? Well, I'm going to compare the leftmost column, which is everybody, and the rightmost column, which is low-income kids, measured as the bottom quartile of kids' families, in

terms of SES levels of family, socioeconomic status -- which, in some ways, is actually a better measure than family income, because family income bounces around a lot more, and this is closer to what economists call "permanent income."

Okay, what do the numbers show? The first two rows are for kids that either don't finish high school or do, but don't go on to any college. And the data show, overall -- and these data, just over a quarter of kids don't go to college, which means that close to three-quarters do out of the overall sample. But out of the bottom SES kids, it's only about a half. That's a really big difference in college-going and college-access, a half versus three-quarters. So access does remain part of the problem -- even though I think CeCe's right, we've made some progress since then.

The next three rows look at data from two-year colleges, and whether you go and don't finish anything, or get a certificate, or get an AA degree. The good news here is that you actually don't see big differences across race, gender, or between SES groups. The numbers, the patterns are pretty similar. That's the good news.

The bad news, if you take out the certificates -- and I think certificates matter, they have labor market value -- but if you take those out for a second, everybody's completion rates at community college are pretty low. For everybody, they're in the sort of 30 to 40 percent range. This has been documented with other data sets -- Tom Bailey at Columbia, and other folks, have shown this, as well: Community colleges have really low completion rates.

This is not because kids go there and use it as a springboard to go to four-year, because those kids only show up in the bottom three rows here. But completion rates for young people remain very low at community colleges, and that's something we have to focus on and talk about.

And then, of course, the last three rows look at four-year schools. Here, you see the leftmost column indicates that about 30 percent of young people are getting BA's, and that number's gone up a little bit since then, out of about 45 percent total that attend. So that's about a two-thirds completion rate, eight years out of high school.

You look at the rightmost column, the numbers are dramatically lower -- less than a third. So it's two-thirds are completing for the overall sample, less than one-third of low-SES kids are completing -- an enormous difference in completion rates for the people that make it to four-year schools.

Here's a graph, the completion rates for the three categories of -- two measures for two-year, and then the one for four-year -- and, again, for all the different groups, including low achievers in the last couple of columns. And you can see dramatic declines in the fraction completing the four-year schools, in the rightmost bar, again, for the low-SES kids, and even more for the low achievers, especially the low achievers in math. So it really does support the notion that CeCe and Ron raised that -- and we know that there's a strong correlation in these data, between low SES and being in the low achievement group. So that certainly sets up the issue that Ron and CeCe focus on.

But, of course, we also know that for low-income kids it's not just academic preparation, it's not just achievement. In these data, if you run very straightforward regressions -- you know, run regression on any measure of attainment or completion -- you throw in the race and gender dummies, you throw in SES, you reproduce the differentials in these charts. Then you throw in the achievement measures in NELS, the test scores, courses taken, grades achieved in math and science -- the race and gender differences almost all go away, the SES differences do not. They get reduced in magnitude. But a fair amount of SES differences remain, even after you control for achievement as best you can.

So other things are going on for this population. What are those things? Well, certainly, financial costs and credit constraints. There's been recent literature showing that those things matter.

Information is hugely important for these kids. And very recently, the work by Caroline Hoxby and Sarah Turner, and also Chris Avery, really demonstrates, especially high achieving low-income kids very rarely make it to those really good schools where the completion rates and the success rates are much better. So information matters a lot, personal circumstances.

Then the one I want to talk about more -- I want to put this issue of the labor market on the table today several times. Detachment from the labor market, I think, reduces success rates for these low-income kids at these schools, not only because they have lower earnings, maybe, late in life if they're not picking the right fields of study, but if they're not well matched to the field of

study, their completion rates are going to be lower. And there's been at least some indirect some evidence that that's true. Most of these kids get very, very little career counseling, and very little labor market information -- what's going on in the labor market? What fields are actually hiring right now? What are the employment growth rates? What do the salaries look like five years down the road? Very little of that information gets to kids, either the two-year or the four-year schools. So I think their ability to make the right choices is limited by that.

And there's one other thing I want to mention on that. The public institutions, the two-year and the four-year schools -- even the private schools -- have very little incentive to be responsive to the labor market, in terms of what they provide kids to study. Everyone heard this anecdote during the recession: Lots of folks were going back to community colleges during the recession. But one thing everybody knew is that there's jobs in health care, so lots of people who might have even been laid off from other kinds of jobs would go back to community colleges wanting to study health care. And what you heard over and over again is that the courses would be oversubscribed, and they couldn't get in. And we know that that's an issue, about why a lot of kids don't complete their programs at the less elite schools. Often, the capacity constraints, they can't get into the course they want to. Then if you say to the college administrators, "Why don't you respond more to the market? What don't you expand capacity in these health tech classes?" so a lot of them are honest and say, you know, I get the same subsidy from the State no matter what my kids take, whether they're completing or not. Those things are expensive, the instructors are expensive,

they're -- you know, in nursing and other areas. The equipment's expensive. We really can't afford to do that.

So, improving those incentives, I think, needs to be on the table, as well.

Anyway, let me turn very quickly to the volume and the policy brief. The volume is terrific. I mean, it's a very, very strong issue. This topic is hugely important. Virtually every paper -- great authors, great papers, very well written, very accessible, and completely up to date. So, you know, you spend some time reading this volume, and you really get much closer to the state of the art and the state of the knowledge -- at least for someone like me, than I was before. So it's a terrific volume.

The brief that Ron and CeCe have written on the TRIO program, is, you know, also, to me, is at some level, it's very sensible, and it's straightforward. And I think I'm certainly sympathetic at a broad level. We're spending in the ballpark of about a billion dollars right now on these programs. You know, and on the one hand, a billion dollars is not an enormous amount, when you look at the total public expenditure on higher ed -- even total Federal expenditures, it's about 2 percent of total Federal expenditures. So it's really, it's a fairly small part of the total bucket.

On the other hand, in the immortal words of Senator Everett Dirksen, a billion here and a billion there, pretty soon you're talking real money. You know, I think that's true here, as well. If you're going to spend a billion dollars, let's try to spend it better. So I think that's the right idea.

Before we move ahead with this, I just think we need to think through a couple of issues.

And, first of all, probably the most important one being: If we want everyone to provide some kind of evidence based on outcomes, if not based on impacts, you know, what's a realistic standard to expect from these different programs? What's the standard of quality? Most of these people are not going to do random assignment. And, by the way, there's about 1,500 grantees right now, about 1,000 in Upward Bound, alone. Most of them are very small. So you can't really expect an enormous amount of evaluation or rigorous analysis to come out of these places, as well as the competing folks.

And on the other hand, actually if you read CeCe and Ron's brief, for places that aren't getting over the barrier of random assignment, that are just doing sort of something less rigorous, the results of these programs actually look a lot better, according to their own numbers. So, if you're not expecting random assignment, you're going to expect something less, the programs in question end up looking better. Presumably a lot of their competitor groups will look better. And it raises the -- and, by the way, the process right now is already competitive at some level, so it does ask the question of how much more competitive would you make it? Exactly what's the standard of evidence you'd be expecting to see when you make these decisions about where to yank grants and reallocate them. And, again, I just think we need to think through what's an appropriate standard of evidence, especially for these smaller programs.

A couple of other issues, too. If you're comparing current grantees with prospective ones, there's a bit of an asymmetry going on -- right? Because the current grantees are doing the TRIO work according to the TRIO rules, and the prospective ones are not, in terms of whatever outcomes data they show you. So you can't necessarily infer as much from the prospective grantee's data, because that may not be the same data as when they start doing the TRIO work. You know, they might have to scale up if they own these grants, they might have to change their operating procedures to be in line with TRIO rules, as opposed to the ones who have the current grant. So, in my mind, I think of this like championship boxing, that if you're in a championship match, a tie goes to the reigning champion. I love using boxing analogies in otherwise academic work. Same thing here -- you know, the challenger would really have to take it away from the current grantees, or clearly on data. And I think we should acknowledge that up front.

And one other thing about -- certainly when it comes to random assignment, very often, in random assignment results, there's no impact estimated -- not because the treatment isn't effective, but because the control group is doing just as well. And that's problematic, because I think, often people in the control group at these alternative services -- so they're both doing fine. And the argument usually is, well, if the control group's getting alternative services, you don't need this new treatment in question, there's already plenty of stuff out there.

I'm not always convinced that's true. You know, just because a couple of hundred of heavily motivated control group members went out and found alternative stuff, you can't necessarily infer from that that the stuff was widely available to everyone else. But especially in this case, you know, where the treatment, in lots of cases, will be the program you're evaluating, I think you have to be very careful before you kind of assume that everybody out there gets access to alternative services because the control members do. You know, these TRIO programs are the ones that were providing a lot of these services. And you just have to think that issue clearly before you make the assumption "no impact," because the controls are already getting a lot of stuff.

So, none of these issues disqualify, or are deal-breakers for this. I just think we have to think through exactly what do we mean by "evidence-based," what's the standard of evidence, you know, when you start reallocating who gets these grants and who doesn't.

I have one minute left. Okay.

So, if we start to say, okay, aside from TRIO, what should we really be focused on? -- which, of course, is what the rest of the volume is about. There are bigger fish to fry, in this literature. As, I think, Ron said before, \$36, \$37 billion on Pell grants alone makes that, in some ways, a much bigger and more important program to think about. Total expenditures, I think, in the overview paper, said \$160 billion. There's lots of other things to put on the table if we want to improve these access and completion rates.

So, I list all those topics there: financial aid, remediation, other issues. I think financial aid and remediation may be the two most important on this list.

But the other thing I want to remind folks once again is, labor market services and labor market information might be very important here. They might be very important even for all the programs that I list right about that. For instance, I was part of a Pell grant study group that the College Board put together, that Sandy Baum actually chaired, and we decided that maybe one of the best things you could do with Pell grants, especially with slightly older students who are clearly on a career tack, is provide them with labor market services that we know, for other disadvantaged folks, are cost-effectively provided -- whether it's at the one-stop centers, or somewhere else. We think there's a strong case to be made that people who have more knowledge would make better choices, and might have higher completion rates.

Also, if you think about remediation, I think there's at least two programs -- the I-BEST program in the State of Washington, and also the GED Bridge Program to College and Careers at LaGuardia Community College -- where, at least on the basis of outcomes, and moderately rigorous evaluation evidence, it looks like those two things -- links to labor market services, and integrating the remediation into actual training for the labor market -- seems to make those programs work better. So I think the labor market stuff is very important.

I'm just going to put the last two things on the table, and maybe we can talk about it later.

Performance-based institutional aid -- should we continue to give subsidies to everybody, regardless of their success rates? About half of the States are already moving in the direction of some part of their State-based aid being based on performance. You've got to be careful when you go that way, because you can create a lot of unintended consequences when you move in that direction. But at least it's something important to think about.

And, lastly, high quality career and technology education -- should everybody go to college? Not necessarily, but everybody should have high quality options in the secondary years. And I think some very important work has been done in the last few years defining what that would look like. So that's part of this discussion, too.

Time for me to stop, and I look forward to conversation. Thank you. (Applause)

MR. HASKINS: Thank you. All right, I'm going to ask two questions of our guests, and then we'll give the audience a chance to ask questions.

The first one is -- and CeCe and Harry, please feel free to chime in -- first, I want the audience to understand that this administration has made a major emphasis on evidence-based policy. All the things that Harry raised, we're going to talk about in just a minute, because they are really serious problems, and we don't know the answers to them. But I think there are hints out there.

So, what the administration did is they created six entirely new programs. The programs are funded with legislation. They got through the Congress. They left themselves lots of flexibility, in terms of implementing the programs. And all of them require people who apply for the program to cite the evidence on which the program is based. And two of the programs, they only let you use certain model programs -- this is teen pregnancy, and in home visiting. There are only certain programs that you can even apply to use.

So the administration is, First Amendment, intent on giving money to programs that are using high-quality programs to achieve whatever the goal might be.

And then the second thing is, there are very stiff requirements for evaluation -- not all random assignment. We'll come to that in just a minute.

And so, these six programs are up and operating. Some are in their fourth year. My colleague Gregg Margolis, up here -- are you awake? Yeah, he's awake, that's good, a good example. We've interviewed 130 people, advocates, and so forth, administration people, people on the Hill that have been involved in this, and we can really lay out, in detail, how these things passed, right up until the point of implementation. So, on paper, it looks great.

When I looked at this area and saw these programs, I thought, this is exactly the kind of thing the administration wants to do, is to take areas where we aren't getting very good results, and we're spending, I realize a billion dollars is not a huge amount of money, never mind Everett Dirksen, but don't you think this fits nicely? I mean, hopefully, you're biased here. But, I mean, what the

administration is doing is important, and this fits perfectly into the model, and the administration has said over and over again that they would like to expand it, and to apply this approach to more and more policies, because we're not getting we pay for?

MS. ROUSE: You're asking me if I agree with my policy?

MR. HASKINS: Yeah.

MS. ROUSE: Yes, I do.

MR. HASKINS: Well, now let me clue you in here. You were on the inside when it started, so you can give an insider's perspective. We would have been lost if you'd said, no, I don't really --

MS. ROUSE: Well, it would have been more interesting.

No, I think that it really does. And I think that -- you know, obviously, I'm an economist, I do evaluation. And I've always thought that evidence has an important role in policy. I don't think it's the only factor in policy, and I try to remind my colleagues of this, because I think policy-making has -- you know, there are many factors that go into it. But I think it's a very important piece that often gets lost.

And it's funny, because the billion dollars cuts both ways -- on the other hand, you're right, there are bigger fish to fry, but this would be hard enough to do -- right? It's a tiny program, and it's very threatening to current grantees, and to the current structure, to think about moving towards a more evidence-based. So, in some ways, by starting with some of these smaller programs, where there has been some strong evidence to suggest maybe we

need to look closer, we need to look more closely and to apply -- one, I think, broaden the research base. I think that's one of the things we learned from the Upward Bound, the TRIO evaluation. And also, you know, at a minimum, look a lot more closely and not take for granted that we get the theory of the case for why these programs should work.

But if the best evaluations suggest it's not working, we need to understand why.

Now, Harry, you raise a good point, maybe it's that the controls are getting equivalent services. That also does the raise the interesting point about, well, then why do we need this one on top of that? And I don't think that means -- I think you raised a good point, which is that, well, maybe some people are getting the same services that we just happened to stumble upon in this evaluation. But it's raising, it's asking the right questions. And it's helping us to better understand where we can get value added from the money.

So, I think, yes, I think this is a good example. And I think this is a good place to move.

MR. HASKINS: And, Harry, on this point about what the controls are getting, I think, if you look at the data that both of us showed, they're evidently not getting much. The whole population's doing so poorly -- they don't get into school, they fail at enormous rates.

MR. HOLZER: That's true.

MR. HASKINS: So, I don't think there's much going on out there that's really helping us with this problem. It's going to have to be intentional in design.

Do you agree with that?

MR. HOLZER: I do. I mean, I'm very sympathetic to the trend towards evidence-based work in the Obama administration. It's good. I've actually pretty closely at some of the Labor Department programs that we're giving out as part of the Workforce Innovation Fund.

MR. HASKINS: Right.

MR. HOLZER: They do look more interesting, they do look more promising, and we'll see if the evidence, if the evaluation evidence backs it up.

But, again, you know, we want to think -- this is different from most of the other innovation programs, because here you're potentially taking away from one set of grantees, you're reallocating. So that does make it -- it is more like the Head Start. And I would like to more about what we learned from that exercise in Head Start.

But there's other things I worry about. I mean, again, if you're doing this mostly on the basis of outcomes rather than impacts, that alone can create all kinds of screwy incentives for a lot of these grantees -- right? Do they start creaming more? Do they start raising the standards, in terms of who they let into -- I mean, we know of this, certainly, from the performance standards in WIA and TANF -- folks do game their numbers to meet --

MR. HASKINS: The States would do that?

MR. HOLZER: I know, you're shocked, just shocked. But the programs do that. So they could raise the bar on the way in, to improve their numbers, or they could lower the bar on the way out, in terms of what constitutes a "success" or "completion" -- if they have control over it, at least.

So, again, even acknowledging that outcome data are not the best thing, you want to carefully think about not creating adverse incentives for people to move away from the populations that you, in fact, care about the most.

MR. HASKINS: Okay, you raised an issue -- I'd like to hear what you both have to say about this. I think this is really an important issue, and not enough people have thought about it -- Head Start would be a good example, Title I -- many, many Federal programs have an overall goal, and then they have hundreds, or in some cases more than a thousand, programs around the country. We are not going to do a random assignment on all 1,000 programs.

So part of this technique, part of the strategy of making programs more based on evidence at the beginning, and to make sure they're performing in accord with whatever model they're using to get the results they want, we have to deal with that. We've got to figure out what the solution is.

What is the solution? What can we do so that we don't have to rely on a random sample, random assignment for a thousand studies around the country, to know that the local programs are doing well?

MS. ROUSE: I would double-down on the problem, which is -- Harry sort of pointed this out -- which is it takes so much time to do the proper

evaluation that by the time you have your data, you know, the people who are running it have retired, really, and it's no longer relevant.

I think this is -- you know, my own view about academic research, and research in any of these areas, is that any one study is not dispositive, and that what happens is we try to put together a portrait, and develop a general understanding of what works in a particular area, and what are the factors which are bubbling up as being most important.

And so, I think what's most exciting and interesting about the push on the evidence-based is to be putting together a broader base of the research, to be encouraging more innovation that we're testing on a broader scale, but then to be using those lessons to apply to those thousand individual grantees. I think we also want those individual grantees to be encouraged to gather data on their own programs, and to be using those data to monitor, you know, where did our students really go? Did our students -- this is a little bit more "outcomes," and I don't think we should do it in a way that makes it that cream-skimming is so important. But a lot of them don't gather data at all, because it can be difficult. You have to have systems place in order to keep track.

But I think we want to encourage them to be trying to examine their own programs in this way.

But I think the really rigorous evidence is a broader picture that we use to infer about the components of an individual program. That's my two cents on that.

MR. HOLZER: First of all, I think the outcomes data are often very important just for management of the program. Really, like you sort of say, it does tell you what's going on. It just gives you a better sense of what you're doing and what you're not doing. So, I think encouraging all the grantees to do that -- and that's low cost. So that's a plus, and that should certainly be done.

It's just, again, when you come to making decisions about individual grantees, you don't necessarily have this picture -- although, if you have this picture from many other studies, you can look at the program and say, well, are they generally doing what seems to work in that broader literature? And you can use that information, on top of whatever outcomes data they give you, to maybe make, on average, better choices than what you're making now. So, hopefully, that's the direction that we'll move in.

MR. HASKINS: Here's a perspective on this, though -- if Head Start is any example. This is going on in Head Start now. People are losing their money all around the country, because they have -- I won't say "lousy," but I'll say less than quality programs.

MS. ROUSE: "Challenged."

MR. HASKINS: And they're challenged programs, okay.

Here's the question, though: First, if you could just get rid of the bad projects, you could bring the average up by getting rid of the bad ones, as well as improving every project. And for every system of programs that we have in the country, there are lousy projects, and we often don't get rid of them. They last forever and ever and ever.

So, at least, a system that was somewhat reliable would -- at least, could make that kind of distinction, don't you think?

MR. HOLZER: I am told -- so I've never looked at -- I'm told in the Department of Labor that if you look at these kinds of outcomes data, that people say that there's a chunk of programs that don't even meet the laugh test, just on the basis of outcomes.

MR. HASKINS: Yes.

MR. HOLZER: They serve so few people, so people who are finishing anything, with any clear labor market value, that if nothing else, that you can weed some of those out.

MR. HASKINS: Right.

MR. HOLZER: Even without rigorous data, that would be a plus.

MR. HASKINS: Right.

So one last --

MS. ROUSE: Can I --

MR. HASKINS: Yeah -- no, absolutely.

MS. ROUSE: -- there's one thing that Harry -- so, I love the idea that you think the Workforce Innovation Fund was a -- you banked that. That was so hard fought -- right? That was not the Department of Labor saying let's take a little money, and let's be innovative, and let's try to --

MR. HOLZER: Take a big chunk of money.

MS. ROUSE: Right? But it was OMB saying we need to have more -- there are a bunch of programs that don't seem to be doing very well.

Then having -- there was a forum where they brought in a bunch of people from around the country, and we heard a bunch of really exciting programs which were going on and said, you know what, we need to be encouraging more innovation here, and we're going to really encourage -- by crook, or maybe hook - Department of Labor to do this. But it wasn't easy.

So, it's so interesting that now it's like banked, and "that was easy." But that was hard.

So this move to evidenced-based at whatever level, you know, is hard.

MR. HOLZER: So, two things on that -- number one, it will be really interesting to see what the more rigorous evaluations show --

MS. ROUSE: I understand.

MR. HOLZER: -- when these projects -- and to see if that decision gets borne out. And, number two, again, as hard as that was, that was a case where you're not de-funding some grantees -- right?

MS. ROUSE: But they were.

MR. HOLZER: That's right -- some of them would have gotten the money otherwise.

MS. ROUSE: That's exactly right. They did.

MR. HOLZER: So there were some. Right.

MS. ROUSE: They did.

MR. HOLZER: So, I think, a few years from now we'll have a better sense of the value of this trend. And I think we all hope that it's positive --

MS. ROUSE: We do.

MR. HOLZER: -- and that the outcomes --

MR. HASKINS: Here's a question for economists, because they believe so much in markets -- I've talked to a number of people involved in the Head Start evaluation, which, as I've said, is ongoing, and they are actually replacing some projects. And I think that there's a beginning, widespread agreement that the market is not producing alternatives. So that, in order for this system to work, they identify bad projects, and then people can compete for the money, and they can get the Head Start dollars, a completely new sponsor.

And the competition's not that great. And all of these programs are going to depend on competition, and on the market producing new, innovative programs, competent organizations, and so forth.

So, if we can't do that, this whole approach is not going to work.

Do you agree?

MR. HOLZER: Yes. These are certainly imperfect markets, with all kinds of public-good aspects, and --

MR. HASKINS: What can we do about that?

MR. HOLZER: Uhh -- that's the whole reason why you have public expenditures in the first place. So, you're not going to get rid of that problem. That's one of the reasons we have this.

But even -- again, economists, even within the public sector, competition can play some role to improve outcomes, and I think we all believe that.

MS. ROUSE: I agree with that.

MR. HASKINS: Okay, good.

Now, audience -- so raise your hand. Someone will come around with a mic. Tell us your name, and ask a question. We don't want long statements, just questions -- please.

Yes, go ahead.

MR. SCHWARTZ: Jeff Schwartz, with the Appalachian Regional Commission.

I think evidence-based is good, but I'm not sure you're looking at the right evidence. I'll call it "scientific evidence," when you're looking at randomized, controlled studies. But you're using a scientific approach in what is essentially a sociological venture.

And I think if you want to look at all the evidence, most of the studies that are cited that I've seen in the paper do not look at the context, and they don't look at the individual, in which set, who has participated in there to look at differences. So, if you look at, for example, the Federal TRIO program in Montgomery or Fairfax County, you're going to have different outcomes than you would in Washington, D.C., or Prince George's County, the same program. You've got to look at the context, the level of implementation.

So, if you're going to try to work based solely on the evidence, I think you need to broaden it. And I'd like to ask you: How would you gather that other evidence, to look at context, to look at level of implementation, to look at differences in participants?

MR. HOLZER: I think your point is right. I mean, you don't want to have a set of standards that discourage people from taking on the hardest cases, the hardest to serve, or from locating in the hard-to-serve neighborhoods, where achieving success -- so, somehow, more qualitatively, I think you have to look at, gather that type of evidence, and use that when you're interpreting the more quantitative.

MS. ROUSE: Well, I'm going to disagree with that a bit. You know, even the Upward Bound experiment was 5,000 students were in the treatment, and like 3,000 or something that were in the control. Do I have those numbers right?

MR. HASKINS: I think that's about right, yes.

MS. ROUSE: And the point is, a well-designed experiment -- basically, what you're saying is, we can't just do one randomized experiment in New York City, and say what does that tell us about a similar program in Appalachia? And I completely agree with you there. We call that "external validity."

But to say that you couldn't do an evaluation in, say, Appalachia, and tell us what -- compare it, so that the students that are there, that receive this treatment, compared to those who are there who don't receive it, how effective is it?

What that means is that for many of these programs, you need big evaluations. And that's why I don't believe any one evaluation is dispositive.

MR. SCHWARTZ: What I'm saying is, it doesn't matter whether you do the randomized study in New York or Appalachia, if you don't look at the level of implementation in both to make sure that the program is being faithfully implemented at a rather high level, and look at what else might be going on in other places that you're comparing to --

MS. ROUSE: So --

MR. SCHWARTZ: -- you're not looking anything.

MS. ROUSE: Okay, so two points on that. One is, implementation is obviously really key, right? You know, if a program is what some people in the business call the "demonstration," where usually there's a high degree of fidelity to the original program, and you get one set of results, then the question is what happens when you scale? And part of what happens when you scale a program into replication is the implementation may not be quite as good.

Now, you're in Washington, D.C. You're evaluating a bunch of grantees. The level of implementation, or the quality of the implementation is something you're going to worry about, but it's something you can't fully control. I think it's still a fair evaluation to say: Given the money we're currently spending, with all of the warts and, you know, the brilliant places where it's implemented, and the places where it's not implemented, as well, what is it that we're getting, on average, for our money. I think that's a fair question.

Could it work in theory is another important question. But then if not everybody's going to implement it well, then the question is how do we get

the people who aren't implementing it well to do better? That's part of the Head Start conundrum. And that's why people talk about quality in Head Start.

MR. HOLZER: I actually think -- I mean, if you have a good evaluation, multi-site, where they, you know, they do pay attention to the implementation --

MS. ROUSE: Absolutely.

MR. HOLZER: -- you get some insight.

I'm more worried about your question, not on the random-assignment studies, on the outcome-based study, because that's where I think the numbers can be either gamed or hugely affected -- the context matters enormously for those things, and that's where I, personally, would worry about it more.

MR. SCHWARTZ: And then, also, it tends to go toward the silver-bullet theory. If you do a couple of randomized studies that say, well, it works here, here, and here, then it must work well everywhere. But what do you do about a program that might be unique, whether it be the (inaudible) of admission who just makes sure that every kid is successful?

MR. HASKINS: I think part of the answer is they still have to produce results, and we have to evaluate the results. There does have to be innovation, and the administration has, I think, brilliantly solved that by giving three levels of grants for these, in these instances that I described to you. And the lowest level are programs that don't have strong evidence. They're good ideas. They're innovative. They're promising. They may be based on some

research findings, they have a good theory, and so forth. So, some of the money is always spent there, so you accommodate innovation.

Let's go to someone else who has a question.

MS. ROUSE: Can I --

MR. HASKINS: Yes, go ahead.

MS. ROUSE: -- can I say one other thing? And I think this is also why evidence can't be the only part of the decision. I think it's an important part, and I think we don't -- I don't think we include it enough. But I think this is exactly why you can't just have a number, scorecard, and just simply, you know, use that one number.

MR. HASKINS: Another question, in the back there?

MS. SCHNEIDER: Yes, Carol Schneider, Association of --

MR. HASKINS: Wait 'til you get the microphone, please.

MS. SCHNEIDER: Carol Schneider, Association of American Colleges and Universities.

I was flipping through the book as you were making your earlier presentations, and came to a cogent description of one of the most fundamental problems with the whole emphasis on productivity, and the term you're using "outcomes." And it has to do with our -- that we don't even have a framework to look at whether the productivity is actually getting at quality.

And that, to my mind, is a source of worry that we should all share. Because the rush to have evidence, and data, and to show some programs are better than others is using credit hours as the unit of productivity --

credit hours in relation to cost. But credit hours have never shown you anything about what students are learning. Credit hours are the same for a student who went through a multiple-choice kind of instruction and training as they are for the most high-quality, in-depth learning of the sort that Princeton and Georgetown both take great --

MR. HASKINS: So, the question is what?

MS. SCHNEIDER: It's not a question, it's a comment.

MR. HASKINS: Oh.

MS. SCHNEIDER: And I'd like you to respond to the question of whether or not we shouldn't slow down the rush to do productivity and performance measures, when we don't have any good measures at all for the question of whether or not the students are learning at the high-level intellectual, practical application skills they actually need for success?

MR. HOLZER: I think there's one measure: earnings at the end.

MS. ROUSE: I was going to say that, too.

MR. HOLZER: It's not the only measure. But for what a lot of these kids are looking for, if you're going to pick one number, that's a pretty good one. It's not everything -- you're right. And certainly, at the small liberal arts colleges, they're teaching a very different set of skills. But they're something.

MR. HASKINS: Go ahead.

Wait.

MS. ROUSE: So, I think all of the authors -- I'm not sure which paper you were referring to, but I think all of the authors would agree that credit

hours is not, you know -- that doesn't necessarily tell you everything at all. And we worry a lot about -- especially when we talk about how are we going to generate more efficiency, well, that we want to do that without reducing quality. And so that is exactly the conundrum.

What Harry was just saying, which I would agree with -- and I think the authors of the last chapter, Davis, Jenkins, and Olga Rodriguez, would argue is that while there's not a perfect measure of what everybody is learning in school, and all the things that we as a society believe they should learn in college, that labor market outcomes are one single measure that gets us about as close as we're going to do at least in the shorter term. Because what employers are willing to pay for students should reflect all of those other skills, and all of that learning that they may have done, that's not just the credit hours, but did they learn to troubleshoot, did they learn to think independently, did they actually learn the skills that they need for the job?

And so if they're willing to pay them for that, then that suggests that maybe they did.

MR. HASKINS: Let's have one more quick question.

Microphone right there.

MS. McLAUGHLIN: Hi. Michelle McLaughlin, Knowledge Alliance.

MS. ROUSE: Hi, Suzie, hi, Michele.

MS. McLAUGHLIN: My question is a little more technical.

So, in this new program, consolidated program, that you're describing, would there still be a thousand grantees? Because, I mean, I was wondering if there are lessons to be learned here from i3, where, you know, you do have the \$5 million grant level, and they're still required, everybody's required to do evaluations, even under that level.

So I didn't know if the conception of the new program would mean that many grantees, or would there be a small number, and therefore you could maybe do a more rigorous evaluation?

MR. HASKINS: Right. I was thinking exactly along the lines of i3 and several of the other Obama initiatives, that there are gradations, there are basically three categories in which people can apply, and they can get a lot more money if it's based on strong evidence, defined by Institute for Education Sciences standards. So, there, you could get a lot more money. And then there's an intermediate, where the evidence is not quite so strong, and then a bottom tier, where the money is the least, but it's innovative, you have to have less evidence.

So, I think that's the way that we want to go about this. Because you always have to make room for innovation, that's for sure. And I think this system does it.

MS. ROUSE: Yes. I think --

MR. HASKINS: Anyone want to add to that?

Good. Okay, well thank you very much. Please join me in thanking the -- (Applause)

Harry, we're going to have you back if you keep saying our volumes are great. We really like that.

MR. HASKINS: Okay, now the panel. So we're ready to start the panel.

Let me first thank all the panelists for coming. I think it's a wonderful panel, a lot of different perspectives here.

We're going to start right -- I think we'll just start with you, because I think that's the way the agenda goes -- Andrea Venezia [sic].

MS. VENEZIA: So close -- Venezia. It's the Italia --

MR. HASKINS: "Venezia" -- oh, okay. And you keep telling me "Italian." What do I know from Italian, you know?

Anyway, Andrea wrote the chapter in the volume that's the most closely associated with the policy brief. It's called "Transitions from High School to College."

She's now a professor at California State University in Sacramento. And, obviously, thank you from coming all the way from California. That's wonderful for you to do that.

Next, Sandy Baum, who's a regular here, I feel like. Great to have you back. She's a senior fellow at George Washington University Graduate School of Economics. I mentioned she has this consulting relationship with the College Board, where she compiles all these numbers. For any of you interested in this stuff, these are really great publications. And she was the co-author of the summary chapter in the volume, that's called an "Overview of American Higher

Education." And I have to say that that chapter, if you were going to read one thing, and you want a good introduction to issues in postsecondary education, you could not do better for a short investment of time than that chapter. It's a wonderful chapter.

And then, third, Beth Akers, who is here from Brookings. She's a fellow in Governance Studies here at the Brown Center, and she's an expert in education finance.

So let's just start with Andrea.

MS. VENEZIA: Sure.

MR. HASKINS: And they all have brief opening statements, I'll ask some questions, then it will be your turn.

MS. VENEZIA: Okay, great. I'm assuming I should stay here, because I have --

MR. HASKINS: Yeah, yeah -- no, no. We want to stay here. Yes.

MS. VENEZIA: Great. Okay.

Well, thank you very much. It's an honor to be here. And Ron did ask if I could try to play a bit of a devil's advocate, rile things up, which I will --

MR. HASKINS: This is what they say before they slam you, so --

MS. VENEZIA: Right -- which I will try to do, although you are not usually the people who I would try to pick a fight with in the field. So, thank you for giving me this opportunity to talk.

And I do think this is a very timely conversation to have. I think the issues being raised are very thought-provoking.

I think the new demands on high schools, with the common core and other efforts around providing better opportunities for a larger percentage of students to be ready to succeed after high school, in some form of postsecondary education and/or training, that raises the opportunity to re-think the mission, the depth, the breadth of pre-college outreach programs. When these programs were started at the Federal level, they were focused on access entirely, and that was appropriate, given the era. And now we're doing access and success. And I don't think we've done the job we need to do to help the programs reposition in this new context, so this gives us that opportunity.

And I think it's appropriate to be talking about cost and quality and evidence. We have scare dollars. We have tremendous needs. These programs help about 7 percent of eligible students. So, given this current environment, what do we invest in, and how do we invest, are critical questions.

So, now I'll get to the stir-it-up bit.

I'm going to focus a lot on some nitty-gritty implementation issues that I think are really important to think about if you want to do a radical shakeup. And some of these things have been mentioned.

I think we need strong outcomes from these programs, but I think it's -- I think what's confusing for me about the proposal is we don't really know how to replace them well yet. So we're saying we want to base them on stronger

evidence, but we need stronger evidence on which to base new programs on stronger evidence. So we get in a bit of a circular pattern here.

The proposal lists some promising -- and using the words of the proposal -- "some evidence of success" with mentoring, and summer programs, and summer programs, and tutoring, and helping with financial aid, and helping with academic preparation, college-knowledge-related investments involving parents, and so forth. Well, those are exactly the same strategies that current programs use. So I'm unclear what would be asked of an entirely new set of programs, in terms of the heart of their work with students.

You know, clearly the evidence -- and it helped, Ron, to hear you talk about the i3 comparison, and investing in innovation at a -- quote -- "lower level of evidence." But I think the evidence base needs to be built better first, clearly, and that perhaps we could do that with current programs. And so that's a question I have.

There are glimmers of real hope in these programs, and I think the Catch-22, in some ways, for these programs is they collect a data, and they're not data experts, and they're not evidence-based experts, in terms of how to put together evaluations if they do. And I have data from Sac State, and the data look great. And then, but then we look at their evidence and say it's not good, it's not held to the highest standards -- but they can't. They don't have the staffing or the money or the time. And so the level of evidence, I think, is really challenging.

Looking at the Mathematica randomized trial in Upward Bound, students who did not expect to complete a four-year degree in their middle-

school years did enroll in college and finish the degrees more than did similar students who weren't in Upward Bound. That's a really promising piece. And there are little pieces that I won't reiterate -- they're in the proposal -- that you highlight well, about Upward Bound Math and Science and Talent Search, where there are some glimmers. And I think we should be investigating those glimmers, and trying to look at scaling issues, and spreading issues, and communication around data in these networks better. I don't know that it's an argument to dismantle the network. And we should be ensuring that programs get really good formative information, and clear expectations about improvement when that's warranted.

So, I think some of the reasons why there hasn't been good evidence yet is we don't really have a consensus, nor have we methodically constructed programs around the outcomes desired, the students to be served, the strategies to employ. So I want to talk about those three things a little bit.

In terms of outcomes, again, you know, we started on "access," we've moved more to "completion." And you've suggested that college enrollment and completion should be the outcomes. And I think there are also well documented predictive milestones regarding college graduation that should be investigated in terms of providing a sense of common metrics in these programs, and to help programs do course-corrections. So, for example, non-delayed entry into college, earning 20 credits -- and, Carol, I agree about the credit issue. Is she still here? -- and entering college without needing remediation, passing certain gatekeeper courses, continuous and full-time

enrollment -- there are a lot of predictive milestones we could be looking at to help these programs understand progression, especially if we're talking about middle-school through college. This is a long time and a big lift.

In terms of students, this has come up, but we don't have clarity about which students we want to serve. Do you want to serve the students that you can fairly easily tip over into a success zone? Or do we want to significantly alter life opportunities for the nation's most underserved students? And there's a lot in between. But making a choice, or several choices, about the student populations gives you different strategies and different kinds of intensities.

So, we also need to talk about, I think, the scale and the scope. And, given the new imperatives around high school, is serving 7 percent enough? And do we have the funds to serve more?

In terms of strategies, and how we're serving students, there are common terms -- mentoring, and tutoring, et cetera -- but they're not, in terms of the fidelity, they're not common necessarily when they're implemented. So "mentoring" over here is not the same as "mentoring" over there -- the same with a lot of other interventions.

So, we also don't have much information about the basic principles that underlie sound practice in these areas, and I think there's more research that can be done to understand what is good mentoring, what is good tutoring, and how do you go about spreading those? If an outcome is college success, then how long is the treatment and how deep is the intervention? And ensuring that these interventions now go all the way through college, I think is a

really critical issue to investigate if college completion is the goal. We can't expect a year or two intervention in high school to lead to college success, especially when a lot of students are coming from high-intense supports, perhaps in families, peers, and teachers, and other, and go to broad-access institutions, community colleges in particular, who can't give the same level of supports.

So, I think it makes sense to tap into existing programs for this knowledge base before erecting programs that should be evidence-based but can't be yet. And I've worked on the development of K-12 and higher-ed partnerships from research and practice, in terms of technical assistance angles for about 20 years. And, as a lot of you probably know, they're very difficult to put together. The cultures don't mesh easily, and they're very fragile. And so if there are ones that appear to be working, I would beg that we support them to continue working, and give them the evidence and support they need to do it better. And if ones aren't working then they shouldn't be brought back to the party.

Two other issues I'd like to mention -- I know you mentioned a lot about the focus on academic preparation. We know that is a critical indicator of college success, but we're learning more and more that a lot of students are not ready to learn at the levels necessary if they don't have the meta-cognitive skills to calm themselves down, to focus, to bounce back in the face of adversity, to organize effectively, and so forth. And so we're starting to see that leading with academics might not succeed for students who aren't ready to learn at a college-prep and college level.

And on the plane, instead of reading *Vanity Fair* or *People*, I read the *Journal of Economic Perspectives* --

MR. HASKINS: Good choice.

MS. VENEZIA: Thank you. And I'm not an economist. But in this current issue, Cullen, Levitt, Robertson, and Sadoff wrote -- and I quote -- "The majority of high schools have sought to provide all students with academic skills from a primarily college preparatory and non-experiential perspective, with limited non-academic supports. This emphasis is setting many high schools up to fight a losing battle, because a high proportion of students from disadvantaged backgrounds lack the requisite skills to succeed with those strategies."

One last big issue: The systemic versus programmatic nature -- and there is evidence that students really need systemic interventions, the net of interventions, not just a programmatic intervention -- for this big lift to get larger percentages of students to succeed in college. And so, you know, I think another implementation issue is, if there's a new program, how does it integrate into existing structures and communities and with families?

And GEAR UP has a systemic focus, but it hasn't been evaluated on the right outcomes. And I think maybe we should evaluate it on the right outcomes, and learn from that.

So, to conclude, I think this is an incredibly important window of time. The push for greater rates of postsecondary completion, as we've been talking about, to ensure that poorer students and first-generation college goers can succeed, is huge, and the pushback is also very huge in some quarters.

And so, I'd bet that the programs not be made more vulnerable to being cut, and that practitioners don't get weary of constant reform cycles. Unless and until all schools can provide excellent opportunities for students to learn, and all postsecondary institutions can provide the courses and supports that students need to succeed, there are millions of students who need these services.

So -- can I have one last sentence? I'll cut out the rest.

MR. HASKINS: No.

MS. VENEZIA: Okay.

MR. HASKINS: No, go ahead.

MS. VENEZIA: So, my plea is to leverage existing knowledge and networks, allow for new networks to be created, support experimentation with clear parameters, research and send crystal-clear messages about who to serve, what works when serving them, for how long, at what level of intensity, which metrics should be used, and employ the best qualitative and quantitative methods, so we know not only what is happening, but why and how things are happening, to help these programs succeed at new levels.

MR. HASKINS: Thank you.

Sandy Baum.

MS. BAUM: So, this is a challenging task, to discuss a policy brief after this long discussion by the authors and very knowledgeable commenters and the audience. So, that's good, because now I can be brief, because everybody's said most of what I had to say.

But what I think is that we should take a step back, and first thank Ron and CeCe for taking this approach. It's really too rare that we get really great researchers talking concretely about policies, and trying to talk to the policy community and communicate about how we can really integrate what we know about research, and what we know about policy. So I think this is a really important conversation.

And I also think that they are stepping into a really challenging space, because we're talking about programs to which people are very dedicated, and they're dedicated to these programs for very good reasons. And, as everyone has said, the goal of increasing college access and completion for low-income students is a vitally important goal, and we have to figure out ways to further it. And because it's so important, all the more reason why just having that as the goal of a program is not a good enough reason to say it's a good program. And too often, I think, in policy discussions, we say, "This program has a good intent, and because it has a good intent, you shouldn't touch it. And if you really agreed with the goals, you wouldn't touch it." And that's just not right. We really have to look critically at these programs. And stories, inspiring stories, of individual success are just not enough. Those exist, and I think, for the people who work on these programs, it's really painful to try to suggest that a program's not working when they see, in front of them, the stories of people for whom these programs have worked.

That said, I think -- as people have already said -- we can certainly err in the wrong direction. And the whole idea of the gold-standard of evidence,

and that evidence is not worthy and should really not be taken seriously if it's not based on randomized, controlled trials, is just something that we really have to push back against. We have to remember that the absence of reliable, compelling, indisputable evidence that something works does not mean it doesn't work -- right? It means that we have to keep looking for more evidence about it. It means that we have to question it. It means that we have to not take it as a given, but that it doesn't mean that it doesn't work.

And so, I think that there's a little bit too much erring in the direction of concluding that things don't work because of the absence of compelling evidence that they do. And we do have to be willing to accept second-best forms of evidence. And all the discussion about how these small programs are not going to produce all of this evidence is very important.

And the RCTs are terrifically important and valuable in many ways, but the fact is that they can't -- as somebody said, we're not going to do a thousand of them for every one of these programs. And it really matters who the population is, where it is, what the circumstances are, all of these things. So we're going to have to use other forms of evidence. We can't rely only on that.

Moreover, we need to know why things work. And these experiments tend to show whether an intervention works, but they don't help us understand enough about why. And we need to understand why so that we can really develop other interventions for different groups of people, and use that evidence well.

So, I think that it's wonderful to be making a proposal about using more evidence, and challenging the status quo for these beloved programs. And they're really right that we don't know what works best yet, and we have to do a better job of finding that out. But we have to remember that these are programs that operate in the real world, with real people, under real and varied circumstances, and that it's always going to be true that we're going to have to use our beset judgments in addition to the best scientific evidence.

But I think that maybe the best contribution here of this conversation is that, too often, advocates for students and advocates for programs like this tend to say if you challenge the programs, if you say we should do something different, you must not share our goals. And that's so clearly not true. I think the goal here is how to improve these opportunities and these outcomes for low-income students, and you can really stand in the way of that goal if you say "Don't touch what we're trying to do."

So we need to better evaluate these programs -- and not just do they work, but are they cost effective? And that's a big part of -- one of the problems with some of these experiments, is that maybe there will be great results, but are we using our billion dollars in the best way possible, not just in the interest of taxpayers, but in the interest of the students. And we all share that goal.

And I think that carrying on this conversation, and figuring out how best to require strong evidence for the perpetuation of these programs, and for

the development of new programs, is terrifically important, but we have to do it in a flexible and somewhat open-minded way.

Thanks.

MR. HASKINS: Thank you very much.

Yes.

MS. AKERS: Well, I was going to point out, it's getting harder and harder to bring innovation to this conversation, but --

MR. HASKINS: That's why we saved you for last, because you're so creative, you're bound to think of three or four new things.

MS. AKERS: I know. I'm going to dig really deep to bring something interesting to the table, here.

But, first of all, thank you, Ron, for inviting me to be on the panel today. It's a pleasure to be part of this discussion. You know, providing access to a good education at K-12 and postsecondary level is so incredibly important, and it's something that should be on the top of every policy-maker's mind at the moment.

Quality education is important for the proper functioning of our society because we have a democracy, because we have a market-based economy. So I can't stress enough how important this discussion is today. And applaud Ron and CeCe for bringing this discussion out, and highlighting this topic.

I think they've highlighted a way in which the government is currently failing our students -- at least, spending money that's not working. And

I think they've indicated a way in which we can move forward in a direction that will definitely better serve our students.

So, you know, I think it's a great proposal. I think that there are a few primary strengths, and definitely a couple more ways in which we can improve the proposal.

So, first of all, the strongest point of the proposal is that it essentially is going to create competition among grant applicants. So this is a point that we've talking about a few times already today. But, you know, it brings us a little bit closer to a market-based system. So, anytime we have an industry, or a sector, that is dominated primarily by the government, we're going to have this challenge that participants don't necessarily have a strong incentive to innovate. So, by introducing this single-grant program, in contrast to the existing program -- which, granted, has some aspects of competition, but maybe not as much and not as explicit a competition -- we'll be able to encourage providers to start thinking about, and really figuring out, what works. And that's going to be good for students.

The second strength of the proposal is this really strong emphasis on evaluation. Having rigorous evaluation of these programs the Department of Education, or other administrative bodies, a way to referee this competition for Federal dollars in a way that's non-political. Okay -- so they're not picking and choosing based on things they like or dislike but, rather, they have these real metrics they can use. So the Department of Education is no longer in the

business of picking winners and losers here, which we always know is a bad idea.

Having clear metrics that come out of this evaluation process is also good for the programs themselves. So it gives them clear metrics in things that they're seeking to achieve through their programming. So providing them some more direction, I think will also lead to greater outcomes. Having these objectives clear will definitely set them up for more success.

So, as great as the proposal is, I think there's also a little more room for improvement.

Ron and CeCe indicated in their report that they believe that the foundation of success is academic preparation. And so these grant programs would primarily be focused on improving student outcomes through that channel. And my feeling is that this is going to be missing some low-hanging fruit in this issue of college access for low-income students. So, Harry pointed out that there are a variety of barriers to college access for these low-income students, and it's pretty well documented that information is a big one. It's a big one that we also know that we can impact a lot of change with relatively inexpensive interventions.

So, for thinking about how to best spend these dollars, in terms of creating the biggest change in student outcomes, I think we don't want to ignore these types of interventions, even in this grant program that's based on academic preparation. So I guess what I'm suggesting, my recommendation is to be more agnostic about the mechanisms through which the programs are going to

achieve these better student outcomes, and allow for a diversity of approaches. And some of them could possibly be information interventions.

The last point I'll make is that I think the proposal could be improved simply by recognizing that not all students are going to be made better off by going to college. These students who are on the margin of not going to college or going to college may be the students who are most likely to not complete, or the most likely to take longer than the four years, so they're incurring the greatest cost in going to college. Maybe it's also the case -- and I can't speak too strongly about this because I don't have the evidence -- that conditional on graduation, their employment outcomes, or their underemployment outcomes, rates of underemployment, are the worst -- okay?

So we want to be careful when we evaluate these programs that we're not looking at short-run metrics as an indicator of success. For instance, if we just measure the success at getting students to enroll in college, it may be the case that the program is pushing all these students past the threshold of enrolling in college, then they're all dropping out and having, you know, a greater amount of debt, and less capacity to repay. So we want to look at long-run metrics -- which, I think, is part of the proposal, but perhaps we could make it more explicit. We want to look at graduation rates, on-time graduation rates, and, ideally, labor market outcomes, even though that's going to be more challenging in terms of program evaluations.

So, in general, I think it's a great proposal. Emphasis on evaluation is always a step in the right direction, from my perspective. So I support what you all have done here.

MR. HASKINS: Okay, so let me make a couple of comments first. I'm in a kind of a position that I'm not comfortable with, because I'm the moderator -- that means moderate, and don't take sides -- but I wrote the proposal, and you're criticizing it.

So -- these are very thoughtful comments. I don't disagree with anything I heard. These are all important problems. They're not solved, for sure, in a 3,000-word policy brief. And there are some big issues here.

One thing that I want to clarify, though, that I think addresses several of the criticisms that have been brought up here, is that is this really competitive? So there are a lot of programs out there now that have money that would continue to have money because they're high-quality and good. And, indeed, a major idea of this whole approach to use and evidence-based policy is to get rid of crummy programs, and to keep programs on their toes all the time. I think that's one of the problems with big grant programs -- and this is the way that we do government in the United States -- we give people money, they get it year after year after year after year. It's a big step forward to make the money competitive, to have competitive grants rather than formula grants, where we just give people money year after year after year after year, and you wind up with Title I, I think is what happens.

So I just want to make it clear that the good programs -- there are a lot of good programs out there, no doubt -- and this always happens, you have a range of programs. So the question is how to improve the whole network. And you're not going to have a national impact unless you have lots of programs and networks, local control, and all that sort of thing. But you've got to make them live up to standards. And I think that is what we're learning. It isn't always from random assignment, I realize that. I got dismissed from the fraternity, here, of random assignment, but I've made this statement many times: It all cannot -- we need new technology for evaluating programs.

I'm not all that concerned about the SES issues, and creaming, and so forth, because I think you can specify all those things. We can measure those things. We can know what neighborhoods they're in, where they're drawing the kids, how poor the kids' families are, how much exposure they had to crime and family violence, and all that. So I think we can make sure -- we can set standards for who they let in the programs, and we can adjust evaluations for those things, as well.

So I think there are some things to be done on the technical side that would help us address some of the issues that have been raised here.

But I want to repeat again: I think the most important thing is, these are really thoughtful comments. You know, we kind of put this thing out there. CeCe and I dreamed it up, and no one else has -- I haven't seen a proposal like this, so there are bound to be flaws in it. And the most important flaw, though, is if you closed good programs just so you could have a

competition, that would be bad. But I think if you set it up right -- and we're learning from the Obama administration initiatives that you can do a good job of this, in identifying good programs and make sure they get their money.

One last point that I would point out to advocates who tend to get upset by this sort of thing, because they think you're messing with their programs and, you know, this is not a good thing to do -- if you can show success, I think even policy-makers in Washington, who are not among the most popular people in the country, and maybe some of you have noticed that -- you come to Brookings to get these nuggets of wisdom, you know -- but nonetheless, they are responsive to evidence. If programs, work, I really -- that's one of the reasons Head Start has been so popular all these years, even though, you know, you could build a strong case it doesn't really work that well, but policy-makers thought it did. And they supported it. It was like apple pie, almost, for year after year. If a program like this could produce impacts, I think policy-makers would be willing to spend more on it -- maybe at the State level, maybe at the local level, maybe at the Federal level, maybe all three, maybe some combination.

So, this is one of the main advantages of evidence, to me, is that we can show, at last, that programs actually do work. We can move the needle. The area where you can see this just see this just so clearly is in teen pregnancy, where we've not only had lots of good models, and programs that have been shown by random assignment evaluations to work, but we've moved the national needle. Every year since 1991, except two years, we've reduced teen

pregnancy. That's what you can produce if you have good research, and show that you can produce impacts.

And, as a result of that, Washington has not only maintained funding for these programs, but increased funding for the programs -- even in this age of tight budgets.

So, the main point is, these are great points. It would take a long time to discuss them. But now the audience is going to -- oh, yeah, go ahead.

MS. VENEZIA: My comment is I think that our discussion of the importance of competition sort of makes it sound as though we're thinking about all these individual programs out there, each reinventing what they do, and competing with each other. And, obviously, if we're going to be successful, we need to think of this in a little bit more integrated way, and figure out ways that programs can learn from each other and general principles, and integrate our knowledge.

And I think that that has got to be a key part of this.

MR. HASKINS: Yes, and that's part of our vision of what would happen. That's why the Department of Education wanted to have more flexibility, that they could establish categories. For example, the Upward Bound Math-Science does seem to be successful. The evaluation not great, but there are lots of indications -- it's mainly a flaw in the evaluation itself, it's not that -- their outcomes were pretty good. So, maybe they want to preserve that. And, God knows, we need more math, people who are competent in math and science. So, maybe -- and the Department should have the flexibility to do that.

Similarly, if they find something that works well -- this is a part of a response to your question -- then they would think about encouraging programs - - they get extra points if they do it -- or even require it. You know, there are lots of things they could do.

And, by the way, this technology of how to set these up, and how to make them operate, that is what we're learning now from the Obama

initiatives. And I think we'll be much more effective as a Federal government in finding a balance between local control and national standards, and all that sort of thing.

Audience -- questions or comments.

Yes, right here on the aisle. Wait until you get the mic.

Keep them short, okay? Because that way, we can get more questions.

MS. HEIMAN: Marcia Heiman, Boston College.

We have a three-credit course that I give to first-generation, low-income, primarily minority students for the last 30 years. We have never had fewer than 90 percent of them graduate in four years. Our program has been adopted by colleges around the country. It's been externally validated.

The rate of graduation at community colleges, the three-year rate, is 70 percent -- which is like seven times the national average.

But we're not in very many colleges. And the reason for this, I think -- I've been trying to figure it out -- but I think it's because colleges do not make data-based decisions. And that's a real, real barrier.

Here is a solution -- and I have many years of data behind it, publications, presentations at conferences -- and even places that adopt -- and we say, "You will get -- " -- and it's been externally validated, so that there's a .001 level of probability that exactly the same results if you do it the way that we do it -- very few colleges do it the way --

MR. HASKINS: Are you going to get to a question here, because we --

MS. HEIMAN: Yes.

MR. HASKINS: -- because I want to --

MS. HEIMAN: My question is: Very few colleges, even if they adopt it, adopt it the right way. So how do you get the culture of the college to decide to do something that is data based, that is proven, and it's not going to cost them any more money to do it the right way, but they don't? Some of them do, most of them don't? It's just weird.

MR. HASKINS: I'm looking at Sandy.

MS. BAUM: These are student-success courses?

MS. HEIMAN: What?

MS. BAUM: These are student-success courses? These are courses in the first semester?

MS. HEIMAN: One three-credit course that has research-based meta-cognitive learning strategies the students should apply to all their content courses. If they do that, in one semester, to all their content courses, they remain good students throughout their being in college.

MS. BAUM: So, MDRC did an evaluation or some of -- they're called "student-success courses," what you're saying -- in Florida, and they found very positive and statistically significant effects for, particularly, I believe -- I haven't read this in a year or so -- but I believe it was mostly Black males. And, I

mean, this is a conversation that people are having in higher ed. I don't have a great answer, other than I think that higher ed, in particular, likes to grow their own, and often are their own experts in data.

But the student-success courses are offered across the country and, at least in Florida, there appears to be enough homogeneity to be able to look at results statewide.

MR. HASKINS: Another question?

Belle Sawhill. I have to call on Belle because, otherwise, I'll be in big trouble.

MS. SAWHILL: Well, I apologize for the breadth of this question, but I want to challenge you all to think a little broadly.

We have a whole volume here on postsecondary education, and it shows that we're spending an awful lot of money on postsecondary education. You know, the numbers vary -- I think there was \$160 billion cited in the volume. You know, the \$1 billion that you talk about in the brief is very, very small, compared to the total.

I would like some more judgments, and some more discussion -- let's accept that a postsecondary education is very important, it's good for economic growth, it's good for individual opportunity, et cetera. But are we spending that money well? Are we allocating it between grants, loans, programs to improve preparation, on other stuff, appropriately?

And, you know, you're all experts in this field. And I'd like to hear a little more discussion of that.

MS. BAUM: I think that's a really important question. And I think we have, to date, erred too much in the direction of thinking that the problem is a lack of funds, and that if just hand students money, they'll be able to go college and be fine. And we have to stop thinking that that's the answer. It's, like this conversation, a difficult conversation to have because, of course, many students don't have enough money. But that doesn't mean that that is the core of the problem.

And I think that, in many cases, it's absolutely right that we should stop and think about whether at least any additional funds -- of which there may never be any, so marginal funds in one direction or the other -- should actually go to some of the other things that have come up here, which include better ways of improving academic preparation, of providing -- it's not just providing more information, we're suddenly in this thing where we're just going to provide more and more information, and there are 27 websites that you can go to and find out what the net price of your college is.

But that's not the problem. The problem is people don't know how to use information, they don't know how to access it and they don't how to use it. The information is frequently not accurate enough to be useful to individual students.

So, I think that that question of whether we should be thinking not about spending less money, but about spending money differently and really understanding the needs of students is very important.

And as Harry mentioned, this Pell grant reform that this group that I just chaired through the College Board, came out with a proposal that says really what we need is to make sure students are making better choices. Because they're just going off and going to college, and then realizing it was the wrong thing to do.

So, I think we have to ask this question about everything that we're doing.

MR. HASKINS: Sandy, can you actually imagine that there would be reallocation. I know the politics of this is more or less hopefully -- but that we could reallocate money from loans, or from Pell grants, or whatever, to, let's say, college preparation programs? Could you imagine that ever happening?

MS. BAUM: I think -- well, the loan question is so complicated by does it make money, does it cost money? So, just talking about the money that we actually spend? I do think that if we incorporate some of these other processes and services into the Pell grant program that we can make those Pell grant dollars more effective, and that that's a better approach than saying, you know, take the money out, don't use that money for this purpose.

MR. HASKINS: Right. Okay.

Go ahead, Beth.

MS. AKERS: Yes -- I would echo the point that we want to move towards emphasizing information. I'm not sure if that's your point, but I'll pretend it was -- that, you know, there is a lot of information out there. What is important is that people know how to use it.

So, we know that, on average, returns for education are positive, yet people have this tremendous fear around debt. This is one of the issues that can be addressed through information campaigns. So, if we were to redirect some of the efforts that are currently in grant programs towards figuring out how we can get students to better understand that this is an investment in their future, and to think of it in terms of what are their financial returns going to be in the future, I think that would go a really far way in improving the number of, especially low-income, students who end up enrolling and finishing college.

And the great thing -- and, you know, when you think about can we reallocate, even politically, money from grants and loans towards programs that are about information, the great thing is that information is relatively cheap, compared to giving every student an extra thousand dollars. So I think it's reasonable to think we could do something like that.

MR. HASKINS: Do you want to add anything?

MS. VENEZIA: I don't have anything to add. Those are really great comments.

MR. HASKINS: Okay -- other questions.

Right here on the aisle.

MR. GLUCK: Thank you. My name is Peter Gluck.

If I were going to speculate, I would say that funding for these strategies and their evaluation, both at the Federal and State levels, is more likely to decline in the next three to five years than to even stay the same, no less grow.

So, would you comment on how the political environment, that political environment, reconciles with your proposal to do more when you're going to have less?

MS. AKERS: I can comment.

MR. HASKINS: Go ahead.

MS. AKERS: You know, I think the point is, would whatever pool of money we have, we want to make sure that each dollar is spend as efficiently as possible -- so, getting the greatest return for every buck.

MR. HASKINS: Right. That would be my answer, too. But I certainly agree with the premise of your question. All of our domestic programs are under threat. And I (inaudible) Belle to jump up and we'll sing a duet for you about "the problem is we mis-allocate our money." We spend way too much on the elderly, they're growing out of control. They're not even subject to any budget restraints. And we have great charts that show all other Federal spending being squeezed into the future because of our spending on the elderly. And I always like to point here that, if you look at my hair, you'll see I'm speaking

against my old self-interest here. But this is a fact. You need money, we're going to have to control our spending on programs for the elderly.

Another question?

There's one over here.

MR. HUNT: Cosby Hunt, Center for Inspired Teaching. I just ran into one of my -- I used to teach high school, and I just ran into one of my students, who graduated from college after eight years.

MR. HASKINS: Good for him -- or her.

MR. HUNT: I would love to see some kind of longitudinal study of D.C. public high school graduates. Other than earnings and degrees completed, what should we look for in that study?

MR. HASKINS: What do you mean by "what should we look for?"

MR. HUNT: What should we pay attention to, in terms of -- we've been talking a lot about metrics and so forth. So, if we're going to follow the class of 2014 for 10 years after they graduate from high school, other than degrees completed and earnings, what should we be paying attention to? And divorce rates, maybe?

Panel?

Okay, while you're thinking, I'm going to --

SPEAKER: I have a comment, too.

MR. HASKINS: Wait, wait -- hold it. Let me answer your question.

I think a very important metric is marriage. Now, that may seem bizarre to you, but there's a whole strand of economic research suggesting that one of the reasons for declining marriage rates is because males, especially, are less likely to be in the labor force, their wages are lower, and they make less desirable spouses. And to cite evidence on this point, there's a very nice Career Academy study that MDRC did, with a bunch of different sites, random assignment, (inaudible) social science -- followed up for eight years. No effects on the girls. The boys were more likely to have a job and earn money. They earned, on average, \$2,000 more. And they were something like 20 percent more likely to live with their children and to be married. So that's another outcome that I think would be a really interesting thing. And, God knows, our country has big problems with marriage rates, and non-marital births, and wind up costing the public a lot of money because they're more likely to be poor, and need medical support, and fail in school, and all that sort of thing.

MS. VENEZIA: I think you also want measures of citizenship, and health, and -- attitude questions are very difficult to interpret, and so something about how people's lives are going is what you really want to figure out. And, certainly, "earnings" is -- I mean, earnings are important, but they don't measure - - we don't want everybody aspiring to earn as much money as possible.

So, I think any of the measures that you look at that we have of college graduates are different from people who didn't graduate from college -- and there are lots of those in these areas -- the best that we can do to measure a

lot of them. And there's no one that you would want to use as an indicator, but if you have a set of them, then I think that could be --

MR. HASKINS: Okay, one more question.

Over here. In the middle. Keep your hand up, she didn't -- okay.

MS. EYSTER: Lauren Eyster, from the Urban Institute.

I was wondering about the role of employers in postsecondary education. It seems like that's shifted, maybe, somewhat in the past decades, that employers are not contributing as much to their employees' training or, you know, supporting them in that way. And that seems to maybe be shifting the burden more on the students and the Federal government.

And I'm wondering about what you see as the future role for employers in postsecondary education.

SPEAKER: It does seem that, it appears that employers are less willing to train people, and they want people to graduate ready to do exactly the job for which they want to hire them. This is obviously a problem.

But it seems to me that it's a macroeconomic and cyclical problem, and before we decide that this is really a trend, we want to make sure that it's a trend, and not just an indicator of the economy.

But Harry could answer this question better than any of us, I think.

MR. HASKINS: Go ahead, Beth.

MS. AKERS: Okay, I'll go first. I was going to say, you know, I think that there has been a cultural shift that people stay for shorter periods with

a single employer, so it may be just that it's no longer a great investment for the employers to spend the same amount of money to train employees.

Alternatively, you know, I would conjecture -- and I haven't tested this data -- that, you know, the training is essentially part of the employee's compensation. And that if they're paying for their college degree, you know, it's clear that tuition could have been received in the salary, but instead it was paid for to the school -- even if it's in-house training, I think it's the same sort of story.

So it may be the case that they're no longer paying for this training, they're no longer sending their employees to graduate school, but they're paying them higher wages to compensation. You know, I would imagine that that's the case.

MR. HASKINS: And don't leave out health insurance, either, because that's a huge increase in employer spending.

Yes?

MS. VENEZIA: So, Harry, you'll have much more important things to say than I, but the one point I would raise that is a slightly different take, is this their role? An employer isn't defining what students should learn when their in programs. And I think one thing we see -- I did a study looking at expectations in the health sciences in California, and the same-named program all over the State has different learning outcomes, different expectations.

And I think having more regional work with employers and institutions to define expectations, so that when students go through these

programs they meet the expectations of the employers, and can be hired and retained, is really critical right now.

MR. HASKINS: Harry.

MR. HOLZER: I think American employers do --

MR. HASKINS: Look at this, Harry. This is Washington. If you get a microphone, take it.

MR. HOLZER: Exactly. I think American employers spend a lot training their professional and managerial employees, and they always, but less below that level.

There's actually two good reasons why they don't spend, especially below. Number one, they're skeptical about the quality of a lot of these employees, and how well the training -- whether the training will be productive. And, secondly, they think the employee might leave tomorrow, in which case they blow their entire investment.

So I think, in some sense, it may never make sense to rely on individual employers to provide this. If you could do it through industry associations, and other ways where employers don't have to bear the full burden -- there are apprenticeship programs, there are other ways of making it more palatable to employers, and I think those are the things to think about.

MR. HASKINS: All right. We're done?

Have a good lunch. Join me in thanking the members of the panel. (Applause)

Thank you.

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