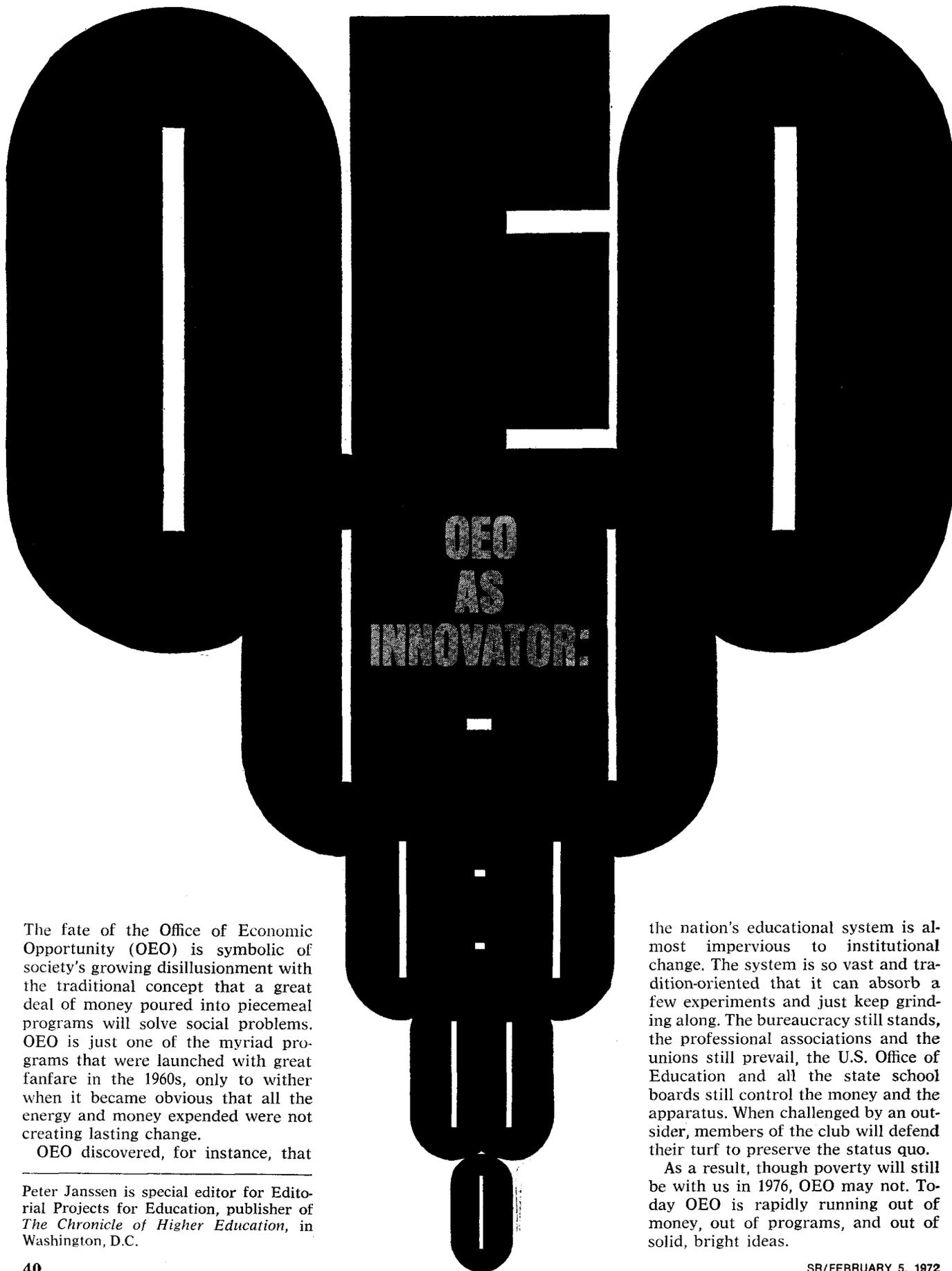


BY PETER JANSSEN

NO MORE RABBITS OUT OF HATS



The fate of the Office of Economic Opportunity (OEO) is symbolic of society's growing disillusionment with the traditional concept that a great deal of money poured into piecemeal programs will solve social problems. OEO is just one of the myriad programs that were launched with great fanfare in the 1960s, only to wither when it became obvious that all the energy and money expended were not creating lasting change.

OEO discovered, for instance, that

Peter Janssen is special editor for Editorial Projects for Education, publisher of *The Chronicle of Higher Education*, in Washington, D.C.

the nation's educational system is almost impervious to institutional change. The system is so vast and tradition-oriented that it can absorb a few experiments and just keep grinding along. The bureaucracy still stands, the professional associations and the unions still prevail, the U.S. Office of Education and all the state school boards still control the money and the apparatus. When challenged by an outsider, members of the club will defend their turf to preserve the status quo.

As a result, though poverty will still be with us in 1976, OEO may not. Today OEO is rapidly running out of money, out of programs, and out of solid, bright ideas.

OEO never had enough money to do the job; now it has barely enough to survive. President Nixon vetoed its appropriation in December because it was in the same bill as money for a new child-care program. In the veto message the President said he wanted to change the direction of OEO itself. Since he took office, the President said, his administration had "sought to redesign, to redirect, indeed, to rehabilitate the Office of Economic Opportunity, which had lost much public acceptance in the five years since its inception." Mr. Nixon added that his aim was to give OEO a "new role"—making it "the primary research and development arm" of the nation's effort to eliminate poverty.

Conducting antipoverty R and D work costs far less, of course, than mounting large new programs; it also is far less upsetting to politicians and the voting public than efforts to give the poor a voice in the system. In any event, the administration plans to fight poverty through income strategy—welfare reform and family assistance—rather than through the OEO programs.

The administration certainly does not want OEO to keep running programs. President Nixon, his first year in office, transferred Head Start and Upward Bound to the Department of Health, Education, and Welfare (HEW), and the Job Corps to the Labor Department. The transplanting has not exactly encouraged their growth. There were almost twice as many preschoolers in Head Start in 1966 (733,000) as there are today; Upward Bound has remained at about the same level (25,000 students). Within OEO, meanwhile, programs are not being renewed as their grants run out. In 1970, for example, the Human Resources Development Division was operating fifty-five programs; this June the total will be down to nine.

OEO also is running out of people. The turnover has been so great that the agency has not printed an organizational chart since the spring of 1970; only three of twenty top officials in place a year ago are still there today. Phillip V. Sanchez, named as the new OEO director last September, was the third person to hold the top executive post in a year.

Sanchez was preceded first by Donald Rumsfeld, a former Republican Congressman from Wilmette on Chicago's wealthy North Shore, who actually voted against creating OEO in 1964. Once in OEO himself, Rumsfeld, a graduate of Princeton, a Navy flier, and a Chicago investment banker, ordered the staff to stop referring to OEO efforts as the "war on poverty"; that, he said, was rhetorical overkill. He also said "the poor" would be known henceforth as "low-income individuals."

When Rumsfeld left to become a counselor to the President (and later director of the Cost of Living Council), he was succeeded by Frank Carlucci, also of Princeton, who had spent fourteen years in the Foreign Service. After eight months Carlucci also moved to the White House, as associate director of the Office of Management and Budget (OMB), and Sanchez, a graduate of California's migrant-labor camps and Fresno State College, took over.

At forty-two, Sanchez is quick and personable, but he has little clout. With his two predecessors setting policy and watching the purse strings at the White House, moreover, he has little room for independent action. Indeed, Sanchez is all dressed up with no place to go. The day he was to be sworn in by President Nixon was the same day that the President vetoed the OEO appropriation bill. The swearing-in ceremony was canceled.

Perhaps most crucial of all, OEO—at least in its programs for education—is about out of new thoughts. "Right now," says Jeffrey Schiller, director of experimental research, "we're kind of looking around for ideas."

In the past, OEO might have had too many ideas. Most were funneled through John Oliver Wilson, a former Yale economics professor, who joined OEO two years ago as director of Planning, Research, and Evaluation. Wilson left in December to set up planning for the family assistance program, should it pass Congress.

"When I arrived at OEO," Wilson says, "I felt strongly that the Office of Education accepted the existing educational framework. We had to move outside that framework. We had to think that nothing was sacrosanct. The old ideas for improving the schools—lower pupil-teacher ratios, higher quality teaching as measured in terms of experience and degrees, higher salaries, better libraries—all were making only marginal changes. So OEO had to get into institutional change, into high-visibility, high-risk operations. We let the Office of Education work with existing institutions. We wanted OEO to look at social issues and the framework of education. With performance contracting and vouchers we got rapidly into the area of institutional change. We tested the water, got new ideas into the arena, forced people to think of alternatives. We went after high visibility. Of course, we didn't want our visibility to be *that* high."

OEO is still mounting good programs but not ones that make waves.

Actually, the first performance contract was written by the Office of Education with the school district in Texarkana, Arkansas, as part of a program to prevent dropouts. OEO saw the promise of the idea and decided to sponsor a larger test to determine if it would work elsewhere.

In the 1970-71 school year, OEO spent \$5.7-million to experiment with performance contracting among six private companies and eighteen school districts. It also financed contracts with teachers associations in Mesa, Arizona, and Stockton, California, and their school boards. As opposed to the "outside firms," the teachers could not lose money if their pupils' performance in reading and mathematics did not improve. The teachers, however, would receive a 5 per cent bonus if pupils' performance did improve.

Education organizations were not terribly pleased with OEO's venture into performance contracting. Some teachers associations and unions viewed it as a move toward merit pay, which they did not want; others complained about insufficient controls over the paraprofessionals and the new materials the companies brought into the classrooms. Many were worried that the contractors were "teaching to the test" or bribing students with small rewards in order to guarantee their performance and the companies' profits.

OEO financed the contracts for only the first year. This year, in line with its new orientation as a research operation, it is studying the results. The Rand Corporation, under a \$300,000 contract from HEW, did study some of the districts involved in OEO's performance contracts. Rand gave performance contracting "high marks as an educational change agent but low marks for mean gains on standardized tests." Most pupils, apparently, did not learn much more under performance contracting than they did under the traditional system. For their part, many contractors also were disappointed with the initial results; they did not make as much money as they had expected and they promised to be much tougher in negotiating any new contracts.

If the education establishment was cool to performance contracting, it was downright hostile to vouchers. And while performance contracting at least has been tested in real schools, vouchers are barely off the drawing boards. The basic voucher idea was designed for OEO by Christopher Jencks, director of the Center for the Study of Public Policy in Cambridge, Massachusetts. The system would let parents use a "voucher," representing the amount of money spent per pupil the previous year in their local school district, to attend any school, public or private, participating in the voucher experi-

ment. The school, in turn, would cash in the voucher with the local voucher agency for payment.

Jencks's idea is that the vouchers would expand educational opportunities by giving students and their parents a wide range of schools to choose from, thus allowing a student to overcome the racial boundaries of the neighborhood school. By making the schools responsive to the pupils' needs, the vouchers would drive out the bad schools, since no one would go to them, while retaining the good ones. They would, finally, make the schools accountable for results.

Many school officials did not share Jencks's—and OEO's—enthusiasm. The National Education Association (NEA), the largest organization representing teachers and administrators, passed a resolution saying vouchers "could lead to racial, economic, and social isolation of children and weaken or destroy the public school system." Some educators saw vouchers as a ploy to give tax support to nonpublic schools, while others predicted that competition would only widen the gap between the strong and poor schools, instead of closing it. Initially, civilrights groups also were against vouchers. They remembered the vouchers used by white segregationists in the South to get around the Supreme Court's 1954 *Brown vs. Board of Education* decision, and they didn't want that to happen again.

Despite the opposition, many school systems were interested in vouchers. OEO made planning grants to school boards in Seattle, San Francisco, and Alum Rock, California, a suburb of San Jose. But then it hit a crucial snag. Since vouchers involve giving school-tax dollars to private and/or church schools, the plan must be approved by state legislators. In California, enabling legislation to permit a voucher experiment passed the state Assembly, but then was defeated, by one vote, in the Senate finance committee. The bill will be reintroduced this winter, but even if it passes, it will be too late for a trial this fall. California law says that no bill can take effect until sixty days after the legislative session is over, and that usually is not until the summer. Seattle officials, meanwhile, are waiting to see what happens in California.

In dealing with opposition to performance contracting and vouchers, OEO seems almost to have gone out of its way to make enemies. Rumsfeld, for example, in a speech to the San Francisco Chamber of Commerce, launched a counterattack. "Let there be no doubt about it," he said, "a major effort has been mounted by a handful of self-appointed education spokesmen to halt any inquiry into the possibility of education reform." Warming up, he added that "the critics fear experimentation

because it may call into question their dogmas and orthodoxies." A year later, Sanchez also publicly attacked the "educational monopolies" that wage "frantic campaigns replete with wild rhetoric to stave off vouchers and performance contracts."

Such rhetoric hardly cleared the air. Says David Selden, president of the American Federation of Teachers: "I don't mind the people at OEO—they change so often—but I do mind the policies. This voucher thing, for example, is a public boondoggle that serves only political purposes. As a poverty-fighting agency, I think OEO's efforts in education have been disgraceful. Basically, however, I don't think that good ideas, creativity, and innovation are enough. If you are really serious about poverty, you've got to find a way to share the wealth. And that's not something that a hangnail operation like OEO can do." Stanley McFarland, director of federal relations for the NEA, says he basically supported OEO until it proposed vouchers. "They got into an area that had philosophical and practical difficulties," he says. "They could have gotten into vouchers without the complication of getting into nonpublic schools."

Ultimately, OEO is succumbing more to self-induced problems than to any outside criticism. "Our most fundamental problem," says Thomas K. Glennan, Jr., acting director of Planning, Research, and Evaluation, "is that we picked off some pretty glamorous projects. OEO took a position of advocacy, of institutional change. But when all is said and done, what we need is a lot of hard research. We still don't understand how children learn, or how to provide accountability in school systems. So now we need to set some quotas, find a lower profile, find things without the sex appeal of vouchers or performance contracting, and try to pay attention to just a few areas."

There seems to be little question that OEO did try to do too many things. For a while it had so many grants scattered over the social reform landscape that it lost track of some of them. It did not have enough staff to monitor the grants and it did not have enough staff to keep them working. For years Congressional committees would call OEO officials up to Capitol Hill to ask questions about a program only to find that the officials knew nothing about it. Now OEO, for fiscal and management reasons, is turning to a smaller number of programs; officials hope that the agency can concentrate on them and provide more impact than in the past.

Still, new programs with impact aren't just lying around. "It's increasingly difficult for OEO to buy involvement in education," says Joseph Howell, director of OEO's Human Re-

sources Development Division. "Every time a program is conceived, there's a battle about why some other organization—Congress, HEW, OMB—shouldn't do it. We have no monopoly on programs. It's getting much more difficult to find unique ideas that are out there on the cutting edge."

At least a few people believe that the OEO has become a bit rusty and dull. One OEO program analyst says he was at a conference a few months ago with many black leaders in government, education, and politics. "They asked what OEO had in mind next," he said, "and I replied something like we were still on the cutting edge and they said bullshit. They were right. We used to be on the cutting edge at one time, but not any more."

Regardless of its position, OEO has accomplished one of its major objectives in education. It has opened debate, it has presented alternatives that had not been thought of, or had been ignored, before. "OEO," says Christopher Jencks, "is doing things that, for legislative or political reasons, were not being done elsewhere. Clearly federal support for experiments such as vouchers would not come from any other agency. But the budget for experimentation is inadequate. If you have only eighty million, say, for R and D and you spread it so you budget five million dollars for vouchers, the way things turn out in appropriations, you'll have one or two million dollars by the time you get going, and you can't do anything on a scale large enough to tell you whether it works or not."

What happens next? Relaxing in his office, with his feet propped on a coffee table, Sanchez takes a pragmatic view. "The bundle of gringo dollars that we get from Congress," he says, "keeps diminishing. We need new ideas—that don't cost much. To get some ideas, I asked the program-development people here to give me answers to five fundamental questions:

"1. What changes in the American systems—and that's plural—of education will make them more palatable for poor people?

"2. How can we get more poor people served by educators—not schools, but educators, since not all educators are in schools?

"3. How can we bring the education processes that are now reserved for middle-class Americans within reach of poor people?

"4. How can we get the nation to consider basic education a right and not a privilege?

"5. Finally, what financing systems are necessary to bring these things about? That, of course, is outside the province of OEO."

Actually, the four others are outside the province of OEO too, aside from

small research projects. Sanchez says that if the President and the OMB want research, "we'll seek it out and give it to anybody who will listen." Handing research papers to OMB, however, is like dropping them down a well. And Sanchez, less than six months on the job, admits that he has more problems with the White House and Congress than he expected, but he adds, "Some people are singing a funeral dirge around here, shedding crocodile tears about the fate of OEO. That's not appropriate, at least not yet."

At the end of the year, OEO issued a list of its "accomplishments" in 1971, including ten items in education. They ranged from completion of the one-year performance contracting experiments and the voucher studies to six New Gate projects for prison inmates, to provide higher education and to lower recidivism rates. OEO still funds things that other agencies do not. It helped start the Navajo Community College, the first Indian-controlled college, in the midst of the Navajo reservation. In the best Upward Bound tra-

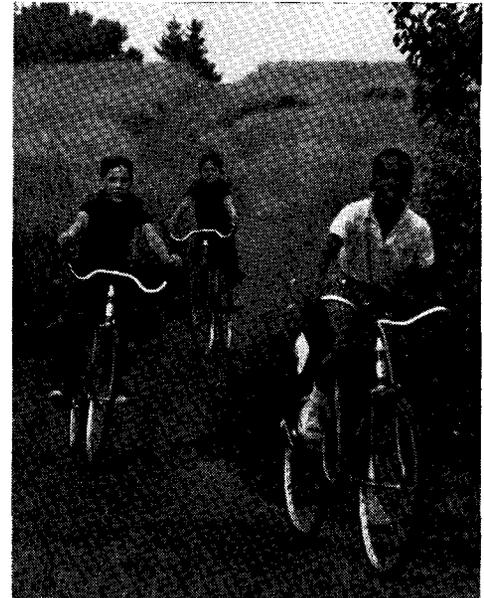
dition, it has started an experiment with forty-five fifth-graders from poor families near Hampshire College in Massachusetts. If the fifth-graders perform well academically, the OEO will guarantee them a college education. The pupils attend a special six-week summer course at Hampshire, plus Wednesday afternoon and Saturday courses there during the school year.

OEO, in short, still is mounting good, solid, badly needed programs. But the programs are not likely to make political waves in an election year, or to change institutions, or to end poverty

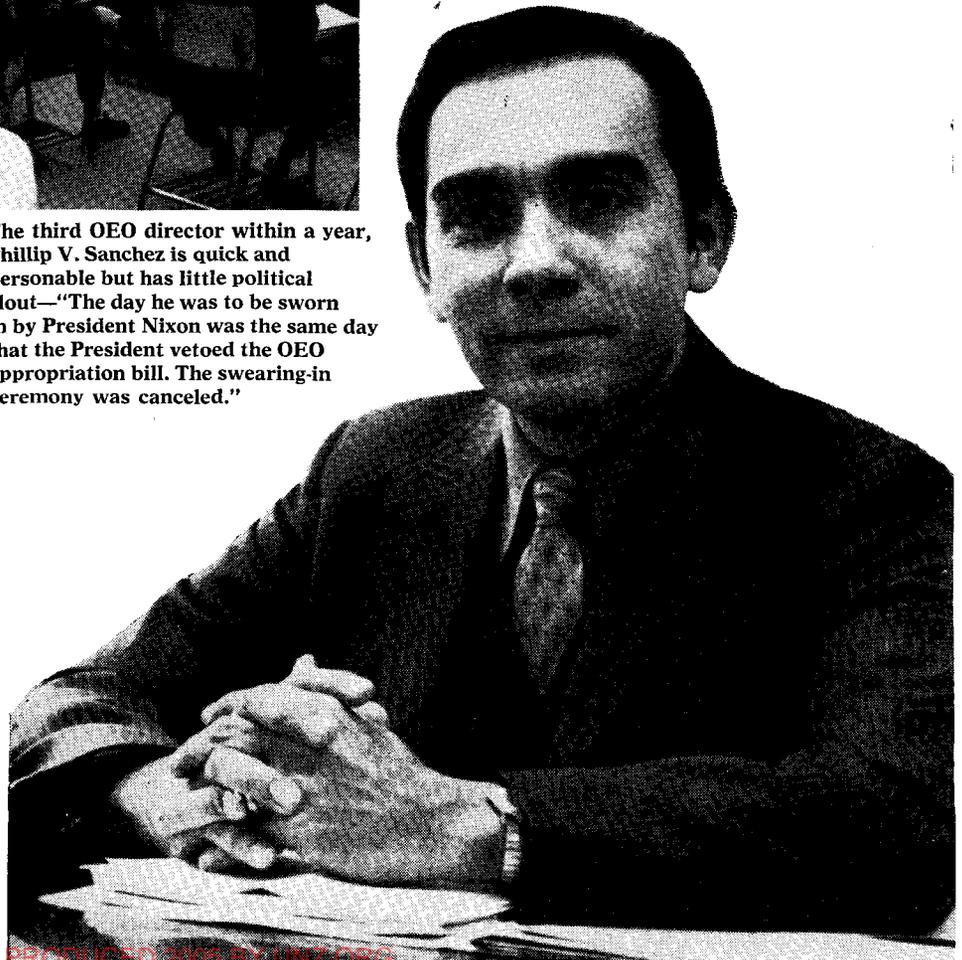
in the next four years. Meanwhile, other agencies are nibbling at OEO's edges. The new Experimental Schools program in the Office of Education, which has the administration's support, has funded experiments in six school districts throughout the country to see if they can be turned around.

For its part, OEO is no longer pulling rabbits out of hats. It is consolidating, regrouping, trying to survive. It has no new big plans in education waiting to be launched. "This year," says Joe Howell, "education is not considered a top priority at OEO." □

Among its 1971 accomplishments, OEO lists the Hampshire College program in Massachusetts and the New Gate projects for prisoners. Local fifth-graders (right), guaranteed a college education by OEO if they are successful academically, cycle to a special summer course at Hampshire. Inmates of St. Cloud's Reformatory in Minnesota (below) start college study in prison.



The third OEO director within a year, Phillip V. Sanchez is quick and personable but has little political clout—"The day he was to be sworn in by President Nixon was the same day that the President vetoed the OEO appropriation bill. The swearing-in ceremony was canceled."



A TALE OF TWO CITIES

PHILADELPHIA POLITICS INVADES THE SCHOOLS

BY PETER BINZEN

On a mild day last December, classes in a Wilmington, Delaware, elementary school were temporarily disrupted by an unlikely invasion. Into the school strolled Mayor John V. Lindsay of New York, Mayor Kevin White of Boston, Mayor Moon Landrieu of New Orleans, Mayor Joseph Alioto of San Francisco, and the mayors of five other cities—plus U.S. Education Commissioner Sidney P. Marland, Jr.

For an hour or so the mayors, members of the U.S. Conference of Mayors' legislative action committee, chatted with administrators, teachers, and students. One mayor entertained first-graders with magic tricks. Another demonstrated the handwriting method he had learned in parochial school fifty-five years before. Others sought Marland's views on federal education aid prospects. Then they were off to two more schools. Later the mayors held a press conference and released a statement pointing to the desperate plight

Peter Binzen is urban affairs editor of the *Philadelphia Bulletin* and co-author with Joseph R. Daughen of *The Wreck of the Penn Central*, published in December by Little, Brown.

of public schools in large cities everywhere across the country.

Although their quickie road show in Wilmington may not have added much to the mayors' knowledge of city school problems, it was not without significance. Until recently, schools have been more or less off limits to big-city mayors. Reformers long ago convinced state legislatures that schools in the largest urban areas should be insulated from politicians. As a result, in city after city the operations of the school system and the municipal government are quite separate. The city council may appropriate funds for schools or set school taxes, but municipal services and educational services are generally viewed as distinctly separate entities. And while City Hall is the natural habitat of cigar-smoking old pols, almost the last place one would expect to find sizable numbers of them is in the school administration building.

Now, because of economic necessity, the picture may be changing. As city governments and school systems approach insolvency and as social problems mount both in the schools and out, the traditional separation doesn't

appear to make as much sense as it once did. Some mayors may be more reluctant than others, but all heads of big cities will probably be forced to mix in school matters more than ever before simply to survive. For better or worse, the partial politicizing of public schools in some big cities may be unavoidable. Indeed, this process has already reached an advanced stage in Philadelphia, where Democrat Frank L. Rizzo, the former police commissioner, won last fall's mayoralty race largely on a pledge to throw out Superintendent of Schools Mark R. Shedd, a pledge that he honored soon after his election. The Rizzo-Shedd collision had all the elements of a classic confrontation: tough cop vs. liberal educator, populist vs. elitist, law and order vs. permissiveness, forces of reaction vs. forces of reform.

These were the issues that got the headlines, and understandably so. Perhaps even more important than the widely publicized clash of personalities and philosophies, however, is what in the long run may be a unifying effect: A big-city mayor has projected himself directly into school governance. He