Miles To Go



The Southern Education Foundation

The Southern Education Foundation (SEF), www.southerneducation.org, is a nonprofit organization comprised of diverse women and men who work together to improve the quality of life for all of the South's people through better and more accessible education. SEF advances creative solutions to ensure fairness and excellence in education for low-income students from preschool through higher education.

SEF develops and implements programs of its own design, serves as an intermediary for donors who want a high-quality partner with whom to work on education issues in the South, and participates as a public charity in the world of philanthropy. SEF depends upon contributions from foundations, corporations and individuals to support its efforts.

SEF's Vision

We seek a South and a nation with a skilled workforce that sustains an expanding economy, where civic life embodies diversity and democratic values and practice, and where an excellent education system provides all students with fair chances to develop their talents and contribute to the common good. We will be known for our commitment to combating poverty and inequality through education.

SEF'S TIMELESS MISSION

SEF develops, promotes and implements policies, practices and creative solutions that ensure educational excellence, fairness and high levels of achievement among African Americans and other groups and communities that have not yet reached the full measure of their potential. SEF began in 1867 as the Peabody Education Fund.

CREDITS

Miles To Go Mississippi is one of a series of reports by SEF developed to expand education and economic opportunities in the South. Prior *Miles To Go* reports on other Southern states can be found at www.southerneducation.org.

SEF thanks all Mississippians who offered their time and talent and who continue to be leaders shaping the public policy agenda for education reform across the state. SEF especially wishes to credit the work of SEF program coordinator Steve Suitts and SEF associate program officer Lauren Veasey, who were primarily responsible for the development of this report.

Mississippi

Rebuilding Education:

The Next Big Challenge

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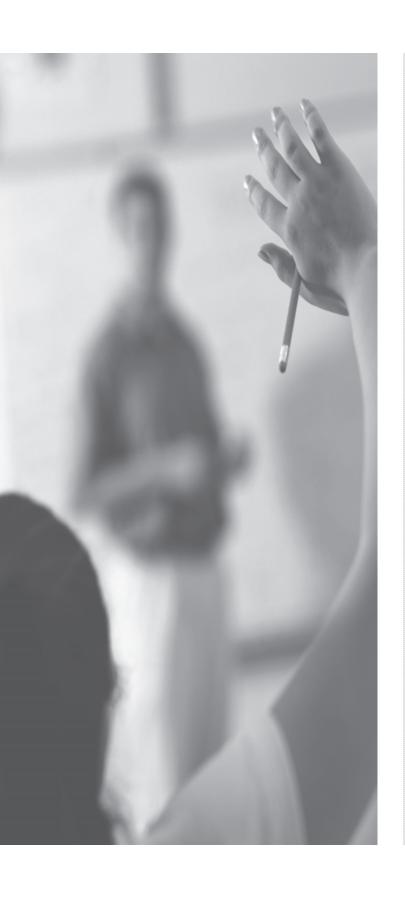
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pretace

This report makes the case with data that the State of Mississippi, one of the poorest states in the nation, must move boldly now to revamp its system of public education from the bottom up. If the people of Mississippi are ever to close the achievement gap, broaden the tax and consumer base, ensure a more highly skilled and employment-ready workforce, attract more investment capital to strengthen the economy, and spark growth, this is not a time for half steps.

The report makes sage suggestions related to points along the education pipeline where change is urgently needed. Clearly, more resources, efforts to strengthen college-readiness and align educational spending to areas most in need must command the attention of all earnestly seeking to improve quality and ensure fairness in education opportunity.

The question, given so many needs and points of entry in education reform, is where to begin. For purposes of this preface, I wish to emphasize the need to begin reform efforts at the beginning. That is, the data set forth in this report show clearly that the most promising and powerful place to begin to improve education outcomes is early childhood.

The early years are a time when a child's brain is still developing and habits that last a lifetime are being formed. If you train a child from his or her youngest days to learn and to love learning, if you inspire a child to see learning as important and a source of pleasure, and if you work with a child to help him or her learn how to interact well with others, you are creating a firm foundation for that child's future success in school and in life.

Children who receive quality early childhood education tend to do better in school, graduate at higher rates, become more financially independent, and have better jobs and higher earnings over a lifetime than those without such an education. A simple investment in ensuring high-quality, universal early childhood education for all of Mississippi's children could and would make an enormous difference in the state's future.

A building resting on a shaky or weak foundation will not stand. Children who enter grade school without the basic skills that quality early childhood education provides lack the foundation for success.

It is not enough to admonish parents or other caregivers to do more or cast blame upon them. One might wish that everyone did everything needed to care for children, but "wishing doesn't make it so." The State of Mississippi must help the vulnerable little children who need help the most, if they are to have better, more prosperous lives. In the interdependent world in which we all live, everyone needs to have as much education as possible.

Every parent or grandparent — anyone who has ever been around children when they are first learning to speak and are interested in anything and everything they see or touch — knows that early childhood is a special time of discovery and intellectual and social development in a child's life. Now is the time for Mississippi to make a dramatic turn that will reshape its history by developing and sustaining a first-rate, universal system of quality early childhood education for "the least of these," its children. It is time to begin at the beginning and move onward from there.

Lynn Huntley

President

The Southern Education Foundation

foreword

We encourage Mississippi's investment in Pre-K education while working to increase the number of young people successfully graduating from high school.

At Entergy, we believe in creating opportunities that promote and encourage individuals to achieve as much success as their talents and initiative will allow. We are proud to work in partnership with the Southern Education Foundation to make this publication possible.

Of significance is the focus on three key challenges to help Mississippi transform its education and economy. Spotlighted are data and statistics that document the reality of education in Mississippi while clearly making the case for every Mississippi leader, resident and business to become actively engaged in the education transformation.

We encourage Mississippi's investment in Pre-K education while working to increase the number of young people successfully graduating from high school. We need to challenge our youth to look for opportunities to solve big problems and to do great work.

We encourage other companies to join us in this worthwhile effort for the youth of our state. We owe them opportunities to advance their careers in an environment that fosters success in Mississippi.

Carolyn Shanks *President and CEO* Entergy Mississippi

executive summary

Miles To Go Mississippi Education Is Mississippi's Future

Mississippi education must provide the state a future workforce and citizenry with the necessary education to succeed in a world economy in the 21st century. Mississippi has the highest poverty rate in the nation and ranks 49th in the nation in per capita income (up from 50th due to hurricane-driven economic problems in Louisiana). Mississippi's income gap with the nation means that each person in the state had \$9,570 less in income than the average American in 2005. A Southern Education Foundation (SEF) study found that 53 percent of this difference in per capita income is due *solely* to the state's lower levels of education.

High school graduation rates were once an adequate measure of the education necessary to grow an economy, but today Mississippi's long-term economic growth depends on the state preparing students to graduate from high school and college. Fifty years ago a high school graduate received 66 cents for every dollar earned by a college graduate, while a high school dropout made only 51 cents. In 2002, high school graduates earned only 48 cents to every college graduate's dollar and high school dropouts earned only 29 cents. Improvements at all levels of the education system are needed to ensure a better quality of life for all Mississippians.

Mississippi Education Trends

Mississippi is far behind other states across the nation in educational attainment. Twenty-seven percent of Mississippi adults had no high school diploma in 2000. In 2004, the state ranked 48th in the nation in college education with only about 20 percent of Mississippi adults with a bachelor's degree. Mississippi cannot depend on the in-migration of college graduates to provide an educated workforce. From 1990 to 2000, the state experienced a net loss of over 5,000 adults with a college degree and a net increase of almost 10,000 adults with less than a high school education.



Mississippi Education: Current Characteristics

Children of color make up 53 percent of Mississippi's K-12 public school students. Nearly two-thirds of Mississippi's 500,000 school children are eligible for free or reduced price lunch. Approximately one in eleven K-12 school children is in a private school in Mississippi, and approximately 87 percent of the private school enrollment is White. Private school enrollment shows the largest concentrations in the Delta and metropolitan areas.

National Education Ranking: Stuck Near the Bottom

According to the National Assessment of Educational Progress (NAEP), the nation's report card, Mississippi students are far below students in most other states in every grade and in every subject area. For example, in mathematics fourth and eighth grade students in the state scored at least one grade behind the average student in the nation in 2005.

National test scores by race now show that Mississippi students do not have the nation's largest achievement gaps by race. The gap in Mississippi is comparatively smaller than in several other states, but only because both Black and White students in Mississippi are performing near the bottom in national rankings. Mississippi can help students close the education gap with adequate support and attention.

The achievement gaps in Mississippi often are rooted in the gaps in educational resources. Nationally, Mississippi ranks 49th in per pupil expenditure — with only 3 percent of the state's students attending a public school district that spends at or above the national average. In 2000, the highest per pupil expenditure in a Mississippi school district ranked lower than the lowest per pupil expenditure of school districts in nearly half the nation's states.

Mississippi's Early Education: Never Catching Up After a Late Start

With the highest rates of poverty for children under the age of five, Mississippi has too many students who are not school-ready. Some of the highest student retention rates in Mississippi are in the early elementary school grades, with first grade often having the largest percentage of students held back for an additional year.

Mississippi is the only Southern state today (and one of a few nationally) that has no state-supported, voluntary pre-kindergarten program (Pre-K). High-quality Pre-K is key to getting children school-ready. It prepares *all* children to be school-ready, often with the largest gains among minority and low-income children. Students who attended high-quality preschool are three times more likely to make better grades and significantly more likely to graduate from high school on time than students without high-quality Pre-K.

Equity Gaps in Mississippi: Educational Performance

Mississippi's national and state test scores document large gaps in educational performance along lines of race and income.

In 1992, for example, 63 percent of the state's White fourth graders scored at least a basic level in reading, but only 25 percent of Black students scored at that level. In 2005, while all scores increased, the disparity by race narrowed only by 2 percentage points. White students score considerably higher on the ACT college entrance exam than their African American counterparts and graduate from college at significantly higher rates. In 2003, the Black graduation rate from all four-year colleges and universities was 41 percent, while the White rate exceeded 56 percent.

There are also large gaps in performance by income for Mississippi students. Mississippi test scores show that students from families with lower incomes — those eligible for free or reduced price lunches — perform below higher-income students in all subjects and grades. For example, from 1998 through 2005, fourth grade math scores show a gap of 30 percentage points between low-income and other students.

Equity Gaps in Mississippi: Educational Resources

In 2003, per pupil expenditure by school districts within Mississippi ranged from a high of over \$6,200 to a low of less than \$4,600. Over the course of 13 years of K-12 schooling, the education of children in Mississippi's poorer school districts is worth \$823,550 less than the education of children in similar-sized schools in the state's wealthier districts.

Higher education is also prohibitively expensive for too many Mississippi students. In 2006, the cost of attending a four-year public university in Mississippi — after federal financial aid — would require 65 percent of the entire income of those in the bottom fifth of Mississippi families. College costs constitute a real barrier to a large segment of the population in Mississippi, where 21 percent of the state's Black families earn less than \$10,000 per year.

Gaping Holes in Mississippi's Education Pipeline

Mississippi's education pipeline (running from the end of middle grades through college graduation, 1992–2002) has the largest loss of students before high school graduation: Only 59 of every 100 ninth grade students receive a high school diploma. The next largest drain occurs when only 38 of the 59 high school graduates enter college. By their sophomore year in college, only 21 students remain in Mississippi's education pipeline. Five years later, only 13 out of every 100 original ninth grade students graduate from college. This graduation rate for ninth graders is among the lowest in the nation.

Improving Economic Growth with Education

Mississippi can rebuild a better quality of life and a robust, equitable future — but only if many more Mississippi students climb higher on the ladder of education. Pre-K is key to closing the achievement gap and improving the standard of living for Mississippi, as well as advancing the state's economic future. Recent studies show that for every \$1 invested in high-quality Pre-K, Mississippi will receive in return almost \$8 in future savings and increased taxes.

Small steady gains in education over time can make a big impact on the Mississippi economy.

Small steady gains in education over time can make a big impact on the Mississippi economy. If Mississippi, for example, were to establish and attain a simple, specific target — to increase both high school and college enrollment by an average of only $1\frac{1}{2}$ percentage points each year over 25 years — the state could enjoy annually an extra \$15 billion in its economy and an additional \$1.8 billion in state revenues by the year 2050.

Strategies for Steady Gains in Education and the Economy

Four simple strategies hold vast potential for transforming Mississippi's education and its economy over the next generation of families and students:

- Start and rapidly expand state-supported, high-quality Pre-K
- Provide adequate funding and resources for student learning
- Strengthen college readiness in middle and high schools
- Align education spending to areas of most need

Mississippi at the Crossroads

Mississippi is at a historic crossroads in education. Education today is the primary engine for the state's economic growth. The state must change directions and begin a new pattern of investments that will enable Mississippi to close education and economic gaps. If state leaders make extra investments in education now, Mississippi can become as prosperous as the nation with a quality of life second to none.

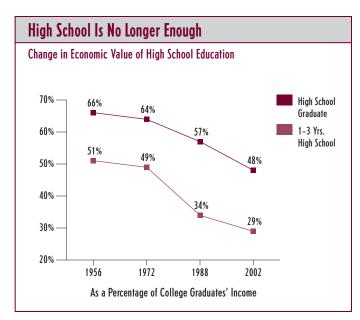
Education Is Mississippi's Future

Beset by hurricanes in the worst natural disaster in American history, the people of Mississippi have exhibited remarkable courage and determination since August 2005 in a cooperative, collective effort that has enabled the state to do more than merely endure. But there is now another crisis that Mississippians need to face with equal resolve — the crisis of Mississippi education.

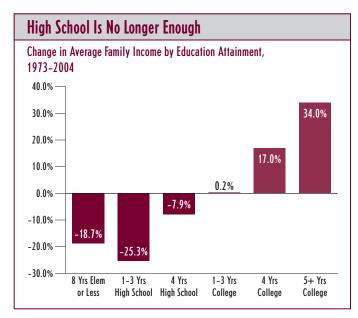
While it has been around for a long time, this problem now holds the awesome power to shape the state in ways that are as profound and perhaps even more lasting than the ravages of a hurricane. Mississippi education is failing most of its children today and is failing to provide Mississippi a future workforce and citizenry with the necessary education to succeed in a world economy in the 21st century.

The work to restore communities and families on the Gulf Coast and elsewhere in the state must continue, but Mississippi also must take up anew the fundamental problems of education. Like other Southern states, Mississippi once had an agricultural economy that did not require highly educated workers and citizens to grow its economy and its people's income. That Mississippi is gone forever. Today, an educated workforce is vital to increasing prosperity and quality of life for the state's entire population.

The vital importance of education today is evident in recent trends on personal income. Over the last 50 years, the economic gap among adults has widened by leaps and bounds according to educational level. In 1956, for instance, a high school graduate received 66 cents for every dollar earned on average by a college graduate and a high school dropout made only 51 cents. This pattern held until the 1970s when the new global economy began to change everything. As of 2002, a high school graduate

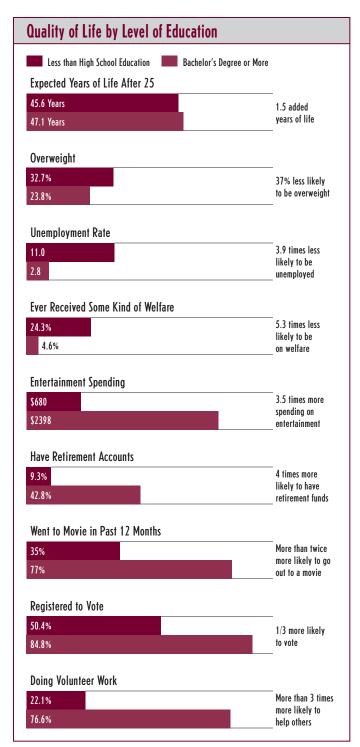


Source: U.S. Census, Statistical Abstract of the United States



Source: Postsecondary Education Opportunity

introduction



Source: Postsecondary Education Opportunity

on average earned only 48 percent of the income of a college graduate, and a high school dropout's income had declined to only 29 cents for every dollar received by the college graduate.

Other recent studies show that only families headed by an adult with a college education enjoyed real gains in income over the last 30 years. From 1973 to 2004, U.S. families with college-educated adults experienced an average increase in income of between 17 and 34 percent, after taking into account inflation, while the income of all other families actually fell. The average income of families headed by high school dropouts, in fact, declined by over 25 percent, and an adult with only a high school diploma had a decline of 8 percent in real income during this period.

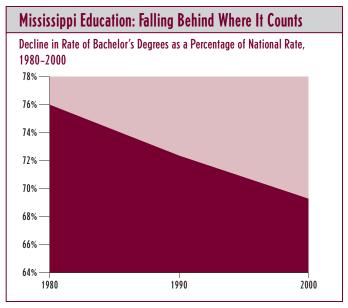
In other words, the engine of Mississippi's economy has radically changed, especially since 1970. While high school graduation rates were once an adequate measure of the education necessary to grow an economy, today a state's strategic economic advantage is linked to expanding educational attainment beyond high school. Mississippi's long-term economic growth depends on, first and foremost, the state preparing students to graduate from high school and college.

In addition, more than ever before, increasing education for all citizens helps to improve other aspects of an entire state's quality of life. Today, communities with higher college graduation rates are far more likely to have citizens who live longer, have more time and money for relaxation and leisure, avoid welfare and unemployment, register to vote and volunteer for civic activities. Thus, improvements at all levels of the educational system, from preschool through college, are needed not only to enlarge the college-educated workforce but also to ensure an informed electorate, civic engagement, a stronger tax base and a better quality of life for people at all educational levels.

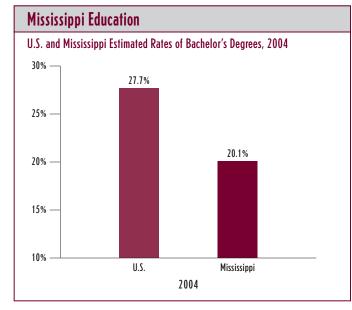
Mississippi Education: Recent Trends

As the significance of education has grown over the last few decades, Mississippi has been falling behind other states across the nation in educational attainment. In 1980, the rate of adults with a bachelor's degree in Mississippi was 76 percent of the national rate. Ten years later, the rate in Mississippi had fallen to near 72 percent and by 2000 the percent of college graduates in the state had dropped to below 70 percent of the national average.

Since 2000, the estimated percentage of adults with a college education in Mississippi has virtually flattened, while many states and the nation as a whole continue to increase college graduation rates. As a result, in 2004, the state ranked 48th in the nation in the percentage of adults with bachelor's degrees. Approximately 20 percent of Mississippi adults had a college degree compared to the national average of 28 percent.

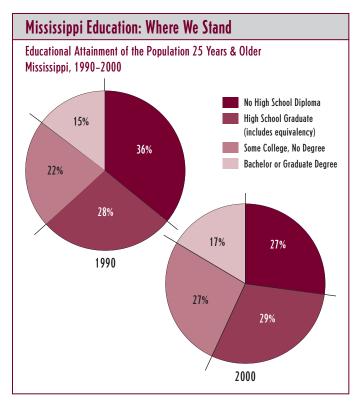


Source: U.S. Census



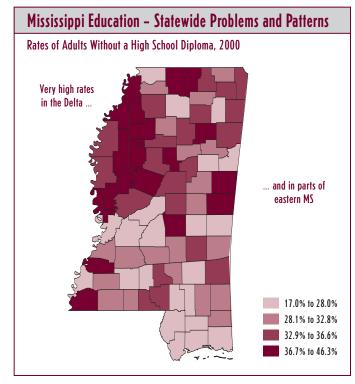
Source: U.S. Census, Current Population Survey

education trends



Source: U.S. Census

Perhaps even more disturbing, 27 percent of Mississippi adults — almost one in three — had no high school diploma in 2000, the latest year for which county data is available. These adults were spread across the state, although the highest percentages were located in the counties along the Delta and in the eastern part of the state outside the metropolitan areas. This map makes clear that the problem of high school dropouts in Mississippi is not confined to one region of the state. It is a statewide problem.



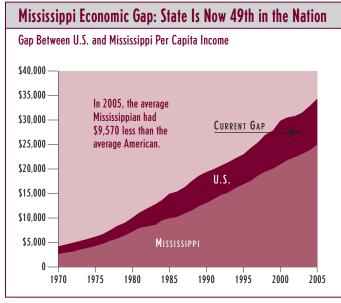
Source: U.S. Census

Mississippi's Economy: Recent Trends

Mississippi's economy mirrors its education over the last few decades. While Mississippi narrowed the economic gap with the nation during much of the 20th century, this steady convergence slowed or stopped as of the 1980s when the world economy began to take hold across the United States.

Mississippi's per capita income was 69 percent of the national average in 1980. Over the last 25 years, Mississippi's economic gap with the national average has at times widened slightly (67 percent in 1985) and more recently gained marginally. Since 1995, Mississippi's per capita income has stalled, oscillating between 73 percent and 70 percent of the nation's per capita income.

As a result, with little recent growth in its college graduation rates, Mississippi remains at the bottom in personal income among the states. In 2005, Mississippi's per capita income was 72 percent of the national average. The state has the highest poverty rate in the nation and it ranks 49th in per capita income — up from 50th due to hurricane-driven economic

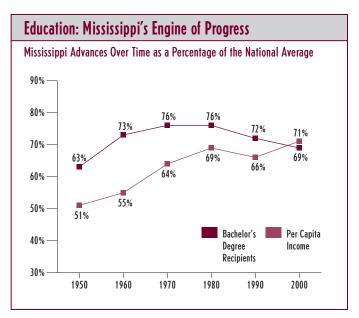


Source: Bureau of Economic Analysis

Per Capita Income: The Best Indicator of a State's Economic Well-Being

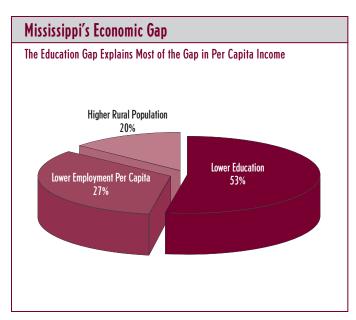
Per capita income is perhaps the best, single indicator of the status of both a state's economy and its residents' economic well-being. As a statistic, it captures key elements of a state's economic growth and of individual income. For this reason, economists, government economic reporting agencies and others often use this measure as a prime indicator of the economic status of both states and nations.

problems in Louisiana. In terms of current dollars, Mississippi's economic gap in 2005 means that on average each person in the state had \$9,570 less in income than the average American. This difference meant that a typical American four-person household had \$38,280 more in income than a similar Mississippi household in 2005.



Source: U.S. Census; Bureau of Economic Analysis

education & economics



Source: SEF Commissioned Study

"Education is the number one economic development issue and the number one quality of life issue in our state..."

– Mississippi Governor Haley Barbour March 23, 2006

Mississippi's Education Gap Explains Its Economic Gap

Mississippi's enormous economic gap with the nation encompasses lingering poverty, low incomes for working families, the lagging economy and the poor quality of life that touches all Mississippians. To address these problems — to close the economic gap — Mississippi must close its education gap and keep up with the nation in developing an educated workforce and citizenry.

The Southern Education Foundation (SEF) commissioned an econometric study that demonstrates the vital importance of education in the state's economy. In identifying and measuring the major factors that create Mississippi's economic gap, SEF's study finds that 53 percent of the difference between Mississippi's per capita income and the nation's can be explained solely by the state's lower levels of education. In other words, more than half of Mississippi's gap in per capita income is created entirely by the state's lower levels of education.

There are, of course, other factors that help to explain the state's lingering economic problems — primarily the comparatively fewer numbers of jobs available for Mississippians. The lower employment per capita accounts currently for about 27 percent of Mississippi's economic gap. In addition, the state's "rural population" explains 20 percent of the difference and is a larger factor than in most other states. The rural population category incorporates several elements of rural life into one: lower costs of living, lower paying employment and a higher ratio of the population that is not in the workforce due to age.

As the primary driver for income and economic growth, education is also the only major factor that Mississippi can improve directly through public policy and practice. As it improves education, Mississippi will create and attract more industries and businesses that pay good wages and will increase private capital investments that make use of an educated workforce to create more jobs and more income. In this

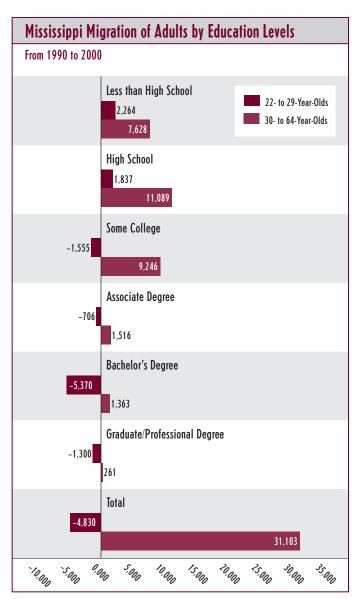
dynamic way, education is the state's most powerful job creation strategy. While it will take time and sustained effort, Mississippi can do a great deal to increase educational levels and thus spur economic development, private employment and per capita income growth across the state.

As these data show, education is the primary engine for the state's economic development. While job creation may result from offering large subsidies and tax breaks to attract new plant locations or to build sports and entertainment facilities, investments in human capital are the only sure means to enhance and sustain economic growth.

Research from the Federal Reserve Bank in Minneapolis and University of Chicago economist James J. Heckman, a Nobel laureate, demonstrates that these types of tax and facilities investments generally provide a much lower rate of return in public and private income than do investments in improving education from prekindergarten to college.

A few states now depend upon in-migration of college graduates to provide an educated workforce that can meet the needs of business and spur economic growth, but Mississippi cannot. In fact, Mississippi currently loses educated adults through outmigration. From 1990 to 2000, for example, while Mississippi had a net gain of over 26,000 adults between the ages of 22 and 64 (the age range of the majority of people in the workforce), the state experienced a net loss of more than 5,000 adults with a college degree (bachelor's, professional or graduate). At the same time, Mississippi had a net increase of almost 10,000 adults with less than a high school education.¹

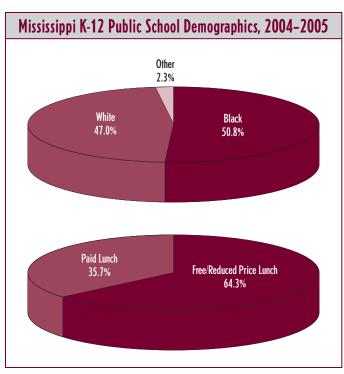
'The extraordinary displacement of families and children after Hurricane Katrina on the Mississippi coast may add to the migration of adults with low levels of education into Mississippi during the first decade of the 21st century. Certainly, over the next five years it is unlikely that patterns of hurricane-related rebuilding and resettlement will bring Mississippi a net increase in educated adults through migration.



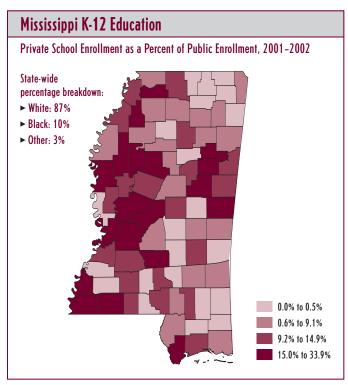
Source: National Center for Higher Education Management Systems; U.S. Census

Mississippi must increase and retain its own educated adults by improving the education of its own children. Mississippi's future prosperity will not come from the in-migration of jobs or people. Mississippi must close its education gap and, afterwards, move faster than the nation in developing an educated workforce and citizenry.

education characteristics



Source: Mississippi Department of Education; National Center for Education Statistics, National Assessment of Educational Progress (NAEP)



Source: National Center for Education Statistics, Private School Universe Survey

Mississippi K-12 Education: Current Characteristics

Today, children of color — African American, Hispanic, Asian and Native American — make up 53 percent of Mississippi's K-12 public school students. In the years 2004—2005, African American students (50.8 percent) were the largest segment of students, a few percentage points larger than the 47 percent of White students.

Today almost two-thirds of Mississippi's 500,000 school children are from low-income families. Fifty-five percent are eligible for free lunch at school and over 9 percent receive reduced price lunches.

Mississippi also has significant K-12 enrollment in private schools. Approximately one in eleven K-12 school children is in a private school in Mississippi and approximately 87 percent of the private school enrollment is White. The growth of private academies exploded in the early 1970s after federal courts began enforcing school desegregation across the state, but enrollment has not expanded significantly in recent years. The extent of private schooling differs vastly across Mississippi by county, with the largest concentrations in the Delta and metropolitan areas.²

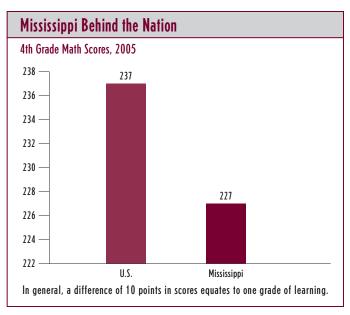
²Since private schools in Mississippi have elected not to participate in national educational assessments, there is no systematic information available about student performance and resources in Mississippi's private schools. A recent national study from the U.S. Department of Education, however, indicates that in general students perform as well or better in public schools as in private schools.

National Rankings of Educational Performance: Still Near the Bottom

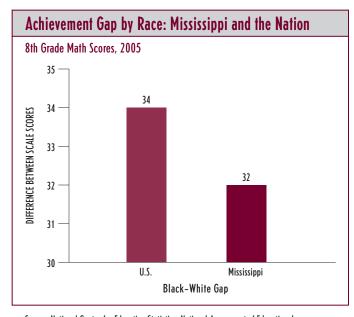
In the only national achievement tests for K-12 students, Mississippi lags far behind the rest of the nation. According to National Assessment of Educational Progress (NAEP) tests, Mississippi students are far below students in most other states in every grade and subject area. For example, in mathematics, both fourth and eighth grade students in Mississippi scored one to one-and-a-half grades behind the average student in the nation in 2005. Similar gaps appear on NAEP tests for science, reading and writing.

Over the last decade, Mississippi has made real progress in narrowing some gaps in learning. For example, Mississippi students have almost cut the gap in NAEP scores in half for math since 1992, while many other states have had modest gains. At the same time, these kinds of improvements have not been across-the-board. The gap in NAEP scores for reading in 2005 was much the same as it was in 1992. At best, national assessments show the potential for what can happen: the state can help Mississippi students close the educational gap with adequate support and attention.

In part because of the state's recent progress, national test scores by race now show that Mississippi students do *not* have the nation's largest gaps in educational performance by race. In 2005, for instance, the gap between fourth grade White and Black students' reading scores in Mississippi was only slightly smaller than the national gap and ranked Mississippi in the middle of the states. In eighth grade math scores in 2005, Mississippi's gap between Black and White students' scores also was similar in size to the disparity for the nation.

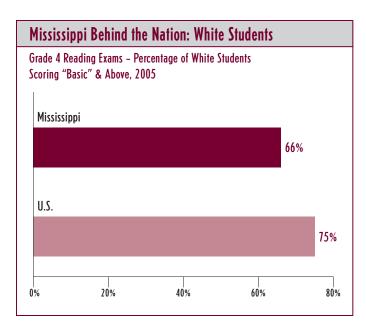


Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

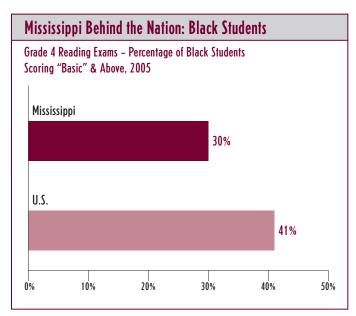


Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)





Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

This trend masks a troubling reality: both Black and White students in Mississippi are near the bottom when compared with their counterparts across the country. In effect, the achievement gap by race in Mississippi is comparatively smaller than in several other states only because both Black and White students in Mississippi are performing near the bottom.

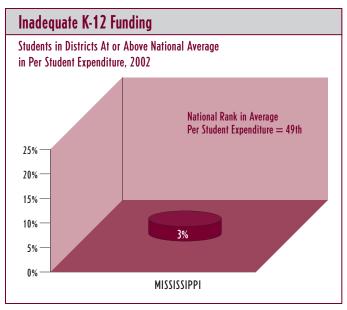
In the 2005 national tests for fourth grade reading, for example, Mississippi's White students scored below White students in all but two other states across the nation, and Mississippi's African American students scored below other African American students in all other states. By national standards, these tests show that Mississippi has been providing students with an opportunity for a failing performance regardless of race.

The state is also near the bottom in national rankings in other important measures of educational performance. By the most recent comparisons, Mississippi ranks around 47th among the states in high school dropout rates. For 2005 college entrance examinations, Mississippi stood at the bottom in overall ACT scores and scored 50th among the states in all four ACT subjects tested: English, math, reading and science.

National Rankings of Educational Resources for Students: Also at the Bottom

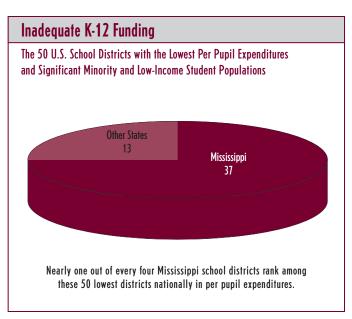
Mississippi's low ranking among the states in educational performance often reflects its ranking at the bottom in educational resources. In terms of per pupil expenditure, Mississippi ranks 49th in the nation. Yet, even this fact obscures how much difference exists between Mississippi and most other states in terms of the amount of resources for student learning. Using the latest comparative data by school district, only 3 percent of Mississippi students attend a public school district that spends at or above the national average in per pupil expenditure.

There are other stark indicators of the state's limited support for student learning. Among the nation's 1,663 school districts with at least 20 percent low-income students and 30 percent minority students, Mississippi holds a dubious distinction: of the 50 districts within this group with the nation's lowest per pupil expenditures 37 are located in Mississippi. Also, a study of school district expenditures during the 1999–2000 school year

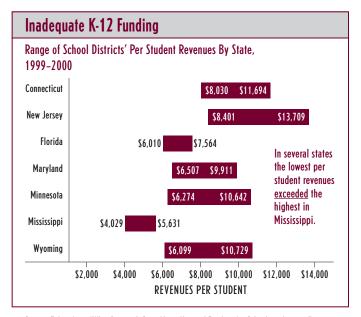


Source: National Center for Education Statistics, Common Core of Data; Education Counts

shows that the highest per pupil expenditure in any Mississippi school district actually ranked lower than the lowest per pupil expenditure of school districts in 22 other states — nearly half the nation's states.



Source: National Center for Education Statistics, Common Core of Data

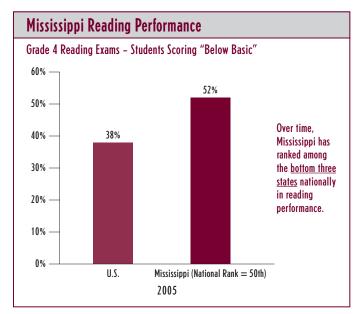


Source: Taken from "What Research Says About Unequal Funding for Schools in America"; National Center for Educational Statistics, Common Core of Data

early education

Mississippi Child Poverty Highest Poverty Rates Amongst the Youngest Children 30% 28% 25% Mississippi ranks 20% 18% 49th in the nation in highest poverty 15% rates of children under 5 years old. 10% Mississippi Young Children in Poverty

Source: Kids Count

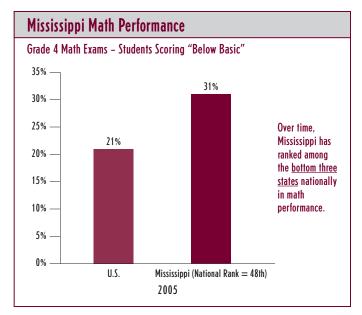


Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

Mississippi's Early Education: Never Catching Up After a Late Start

The problems with Mississippi's low national educational rankings in both performance and resources begin in the early years of a child's education. Mississippi has the nation's highest rates of child poverty and the highest rates of poverty for children under the age of five. Since children from low-income households as a group are more likely to arrive at school unready for learning, Mississippi probably has the nation's largest percentage of children who need early education or high-quality preschool.

The national educational assessments strongly suggest as much. In every NAEP test taken over the last 13 years, from 1992 through 2005, Mississippi has ranked at or near the bottom in the nation in fourth grade reading, math and science with the nation's largest percentage of students who scored "below basic." In 2005, for example, 52 percent of Mississippi's fourth grade students — the earliest grade tested in national assessments — were "below basic" in reading. In math 31 percent of the state's fourth graders were "below basic"



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

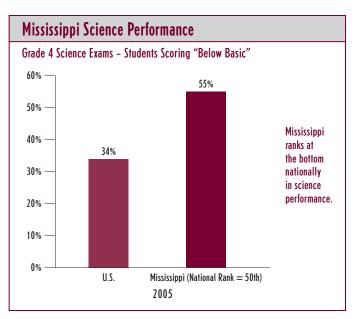
and in science 55 percent were "below basic" in 2005 scores. In each case, Mississippi's scores were ranked last in the nation for fourth grade performance.

Mississippi's own data confirm that far too many students are not school-ready. Over the last decade, some of the highest retention rates for students in Mississippi have been in the early elementary school grades. In fact, across the state during this period, the first grade has often had the largest percentage of students held back for a second year, while the second and third grades also have had significant retention rates.

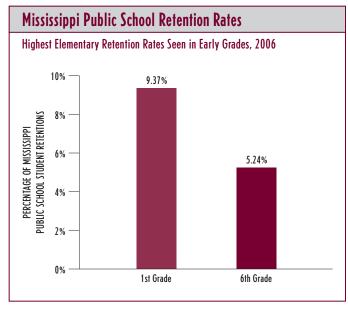
Despite these serious problems with early learning, Mississippi is the only Southern state today (and one of only a handful nationwide) that has no state-supported, voluntary pre-kindergarten program (Pre-K) for four-year-old children.

Recent studies show that high-quality Pre-K is the key to getting children school-ready. In Oklahoma, for instance, an independent study by Georgetown University demonstrates clearly that high-quality Pre-K prepares *all* children to be school-ready. After examining the learning skills of children enrolled in Pre-K in Tulsa over two years (2001–2003), the Georgetown University study shows that students in *every* racial and ethnic group and in *every* income group made substantial gains in basic cognitive skills.

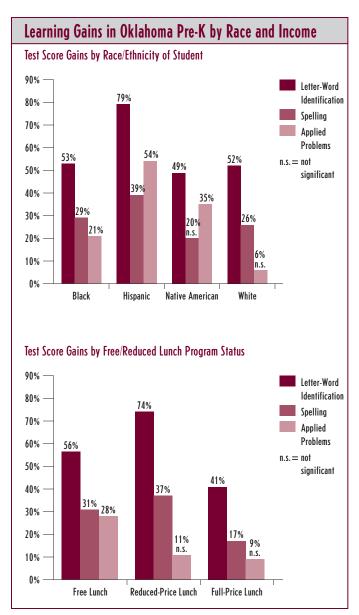
In addition, the Oklahoma data confirm that Pre-K delivers the largest gains in early learning skills to minority and low-income children — the student groups who most often start school behind and score lowest on standardized tests. For example, both African American and Hispanic students in Pre-K made impressive gains in all tested skills — letter-word identification, spelling and problem solving — and they made significantly higher gains than White children. Similarly,



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)



Source: Mississippi Department of Education, Superintendent's Report

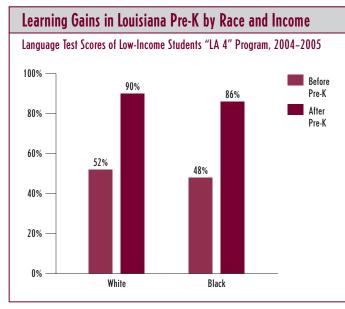


Source: Georgetown University Center for Research on Children in the U.S.

children from low-income families in Tulsa's Pre-K made excellent gains in learning that outpaced the gains of all other children from families with higher incomes.

These dramatic gains for low-income students are found in every Southern state where emerging Pre-K programs have been assessed. In Louisiana, for example, a recent independent assessment shows that Pre-K students from low-income Black families have improved their learning dramatically — starting at 48 percent correct answers and moving to 86 percent — after a year in Pre-K. In addition, scores for low-income White students also increased from 52 percent to 90 percent.

While high-quality Pre-K helps to jumpstart the learning of the children who often need the most support in school, Pre-K is a benefit to all children. In fact, in comparing children with and without Pre-K, the Oklahoma study found that "the child exposed to Tulsa Pre-K is substantially better off." The study found that



Source: "LA 4 & Starting Points Prekindergarten Program Evaluation"

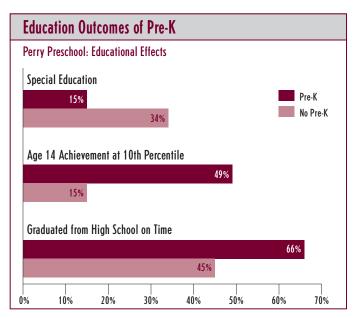
Pre-K students were approximately seven months ahead of other children without Pre-K in cognitive skills for letter-word identification and three months ahead in problem solving.

These early gains for Pre-K students appear to continue throughout their education. In one of a few long-term studies of the effects of early childhood educational programs at the Perry Preschool,³ students who attended preschool were three times *more* likely to make better grades and significantly more likely to graduate from high school on time than students without high-quality Pre-K.

The other long-term studies of high-quality preschool programs reveal the same trends: preschool students are more likely to graduate and are better students throughout their education. As a group, they perform better in school, stay out of trouble with the law and graduate on time from high school more often than other students.

These findings bring a vital message to Mississippi. It is very difficult for young children to catch up once they fall behind others in their learning. This problem especially relates to low-income children of any race. It is a problem that reaches to the core of Mississippi's fundamental education challenge: If a state that is already behind always continues to have a slower start, can it ever catch up to other states in education?

Source: Georgetown University Center for Research on Children in the U.S.

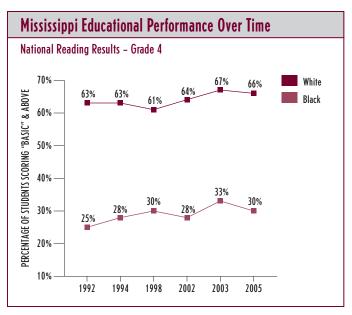


Source: The High/Scope Perry Preschool Study Through Age 40

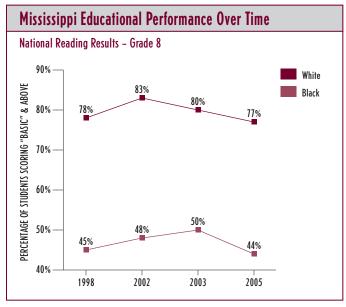
Learning Levels in Oklahoma Pre-K and No Pre-K 5-4-Pre-K 5-2 No Pre-K Note: Age-equivalent 5-0 scores are expressed in years and months. 4-10 ₩ 4-8 4-7 4-6 4-4-4-7-4-0 Letter-Word Spelling Applied Problems Identification

³The High Scope/Perry Preschool Study is based on a preschool program in Ypsilanti, Michigan, operated by the local school district.

performance



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

Equity Gaps in Mississippi: Educational Performance

Within Mississippi, very large gaps persist in educational performance, primarily along lines of race and income. With origins in a history of state-enforced unequal, segregated education, these educational disparities have persisted over the decades and today mean that on average both African American students and low-income students of all races are far behind other Mississippi students in every discipline from their early grades until the end of their formal education, which too often comes before high school graduation.

Both national and state test scores document Mississippi's equity gaps. In national reading tests over more than ten years (1992–2005), for example, the gap between Mississippi's White and Black students in fourth grade reading has remained huge. In 1992, 63 percent of the state's White fourth graders scored at least at a basic level, but only 25 percent of Black students scored at that level. More than ten years later, 2005 scores show that the achievement gap by race in fourth grade reading had narrowed only by 2 percent.

The same large disparities are evident in the NAEP eighth grade scores. In 1998, Mississippi's average White eighth grade student was performing 33 percentage points higher than the average African American student in scoring at basic or above in reading. In 2005, after very little change over time, the gap between Black and White students remained the same size as it had been in 1998. Roughly speaking, this gap equates to a difference of three school years.

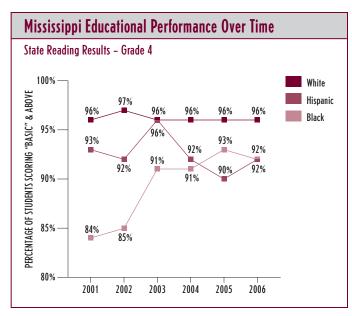
Mississippi's state tests also show achievement gaps identifiable by race across the grades, although they suggest that the racial differences are considerably smaller in scale than the national tests evidence. (State tests also have both White and Black students scoring vastly higher than the national tests in all

subject areas.) For instance, in 2002 in fourth grade reading, Mississippi's White students scored on average 12 percentage points higher than Black students. By 2006, the gap in state scores had narrowed to a difference of only 4 percentage points.

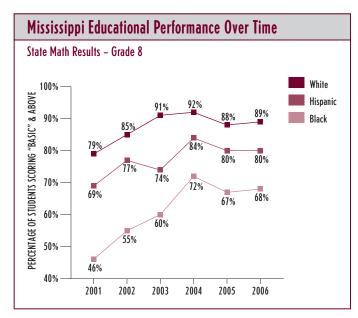
In the state tests for eighth grade math, a 33-percentage-point gap existed in 2001 between the average Black and White student. By 2006, state tests showed that the gap had narrowed to 21 points. In general, state test scores show similar patterns for most grades and most subjects.

These statistics speak volumes about educational needs and reflect persistent patterns of concentrated poverty and disparate educational resources that often mirror population demographics. As instructive as they are about the challenges in Mississippi education, these comparisons between the scores of Whites and Blacks do not indicate differences in innate ability, capacity or potential. Race is not a determinant of intelligence. Indeed, recent trends in Mississippi verify this truth: African American students, who often attend inadequately funded, inferior schools and come disproportionately from low-income families, have shown that when given a fair and equal chance, they can and do overcome barriers to realizing their full potential.

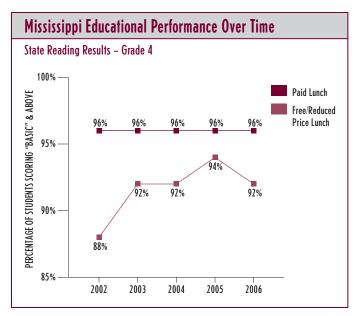
Disparities by race are found in other measures of educational attainment and achievement. White students score considerably higher on the ACT, the state's primary college entrance exam. In 2005, White high school students in Mississippi scored an average of 20.1 on the ACT, while African American students on average scored only 16.2.



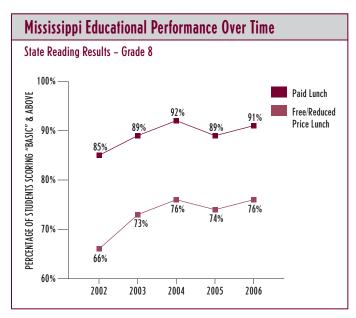
Source: Mississippi Department of Education



Source: Mississippi Department of Education



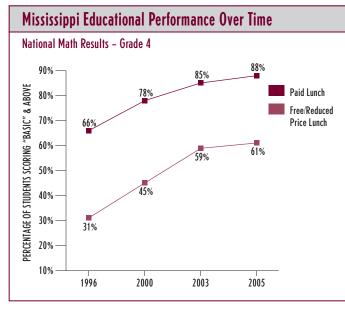
Source: Mississippi Department of Education



Source: Mississippi Department of Education

White students in Mississippi also graduate from college at significantly higher rates than African American students. In 2003, the graduation rate of Black students from all four-year colleges and universities was 41 percent, while the rate of White students exceeded 56 percent.

There are also large performance gaps by income for Mississippi students. Mississippi test scores show that students from low-income families — those eligible for free or reduced lunches — perform below students from higher-income families in all subjects and in all grades. The test results over time suggest that the state's schools have made some progress in fourth grade reading (narrowing an 8-percentage-point performance gap in 2002 to 4 percentage points in 2006), but eighth grade reading scores show little progress in closing the educational gaps by income. NAEP tests in all subjects show much wider gaps that persist among students in Mississippi according to family income. For example, from 1996 through 2005, fourth grade math scores show about a 30-percentage-point gap between low-income and other students.



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

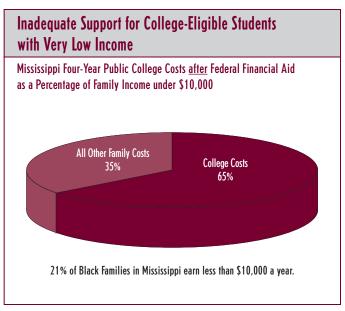
Equity Gaps in Mississippi: Educational Resources

The gaps in performance in Mississippi often are rooted in the gaps in educational resources. The amount of money spent for education differs widely across Mississippi's counties. In 2000, for example, per pupil expenditure by school district ranged from a high of over 6,200 to a low of less than 4,600 – an annual difference of approximately 1,600 per student.

According to a study by The Education Trust, school districts in Mississippi with the highest rates of poverty annually have roughly \$181 per student less to spend on education than do districts with the lowest levels of poverty. This difference creates real disparities over the course of a low-income child's K-12 education. Wealthier districts spend annually \$4,525 more per classroom (with an average of 25 students). An average school with 350 students in a poor district has \$63,350 less money to spend each year to educate its students. Over 13 years of K-12 schooling, this disparity means that the education of children in Mississippi's poor school districts is worth \$823,550 less than the education of children in similar-sized schools in Mississippi's wealthier districts.

There are also large equity gaps in the opportunity for higher education in Mississippi. As the state with the nation's highest rates of family poverty, Mississippi has provided barely more than \$1 million annually in need-based financial aid. In 2005, the state's high school graduating class consisted of roughly 25,000 students requiring need-based aid to attend college — equating the state's annual allotment to approximately \$40 per student. (Seventy-nine percent of the Mississippi high school students who took the ACT in 2005 stated that they needed financial aid in order to attend college.)

Despite the state's relatively lower tuition costs when compared with the national averages, college is prohibitively expensive for too many Mississippi students. In 2006, for example, the cost of



Source: National Center for Public Policy and Higher Education, 2006

attending a four-year public university in Mississippi on average requires 65 percent of the entire income of those in the bottom fifth of Mississippi families — even *after* all available federal financial aid has been distributed to these low-income students.

Two-year public colleges in Mississippi are considerably less costly, but even after Mississippi's poorest students receive all available federal financial aid, the cost of college in 2001 (the latest year for state data by income groupings) would have taken more than one-fifth of an entire family's annual income to cover college costs.

These college costs constitute a real barrier to a large segment of Mississippi's African American population. In 2001, 21 percent of Mississippi's Black families earned less than \$10,000 per year.

^{*}The Education Trust adjusts its data for the additional costs of serving low-income students.

education pipeline

Mississippi Education Pipeline 9th Grade to Bachelor's Degrees High School College Remained Bachelor's Graduates Entrance Enrolled in Degree 9th Grade College Recipients 100 Students 41 students drop out before high school graduation 21 high school grads fail to go to college 21) 17 students drop out of college within 8 students their first year fail to graduate college within 6 years 1992 1996 1996 1997 2002

Source: National Center for Higher Education Management Systems

Gaping Holes in Mississippi's Education Pipeline

These issues and problems in Mississippi education appear at many places throughout the state's educational systems, but there are primary areas where holes and leaks in the state's education pipeline lose large numbers of students. These breaches illuminate where Mississippi is losing valuable human capital essential for growth and progress.

In examining Mississippi's education pipeline, from the first year of high school through graduation from college — a span of ten years (four years for graduating from high school and six years for graduating from college) — it is clear that the largest number of students spill out of Mississippi's education pipeline between middle school and high school graduation. Only 59 of every 100 ninth grade students in 1992 received a high school diploma four years later — a drain of 41 percent of Mississippi's supply of human capital.

The next largest gap in the education pipeline occurred in the same year when only 38 of the 59 high school graduates entered college. This constitutes probably the largest drain (21 percentage points) in the state's human capital in a single year. By the next year, the sophomore year in college, only 21 of the original 100 students are in college. This drain represents a 17-percentage-point drop. Five years later, in 2002, only 13 of the original 100 ninth grade students from 1992 had graduated from college with a bachelor's degree or an associate degree. In other words, across the educational pipeline, only 13 percent of Mississippi's ninth grade students graduated from college. This college graduation rate for ninth graders is among the lowest in the nation.

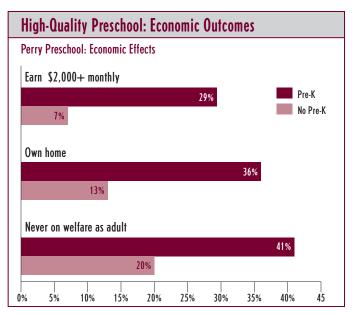
Improving Income and Economic Growth

Mississippi can rebuild a better quality of life and a robust, equitable future — but only if, as a part of the state's physical recovery, many more Mississippi students climb higher on the ladder of education. It is the path to personal success and enormous economic gains for the whole state.

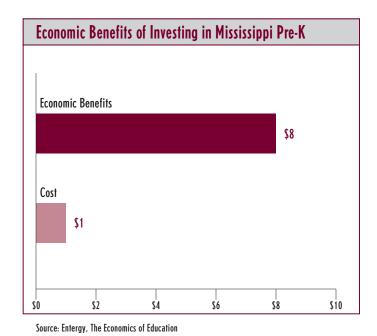
Placing young children, especially low-income children, onto the ladder of education earlier in life through high-quality Pre-K can be a very good economic investment for the state. For example, in the Perry Preschool study, one of the nation's most closely documented programs, researchers have followed neighborhood children into adulthood and now are able to compare what actually has happened to participants and nonparticipants from a working-class, low-income area. The results are striking.

The middle-aged adults who had the benefits of Perry Preschool are today four times more likely than those without the program to earn a decent monthly income. They are almost three times more likely to own their own home and virtually twice as likely to have never been on welfare as an adult. The results from other programs with long-term studies show similarly impressive enduring economic benefits.

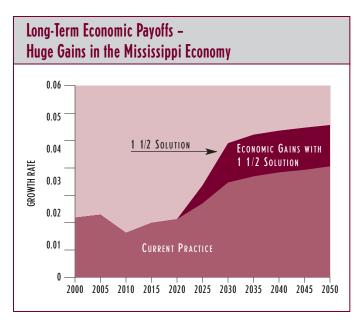
In Mississippi, Pre-K can have similarly dramatic benefits. A recent study by the Committee for Economic Development suggests that for every \$1 invested in high-quality Pre-K, a state will receive in return at least \$2 to \$4 in future savings and increased taxes. Other studies suggest that states with high



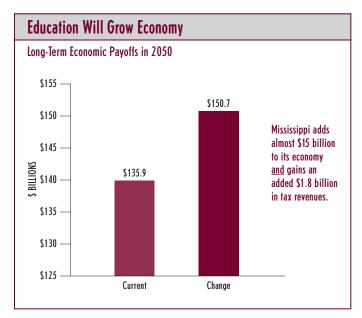
Source: The High/Scope Perry Preschool Study Through Age 40



income & economic growth



Source: SEF Commissioned Projections



Source: SEF Commissioned Projections

percentages of low-income children will realize even larger returns. A study supported by the Entergy Corporation has found that Pre-K in Mississippi could probably realize returns as high as \$8 for every dollar invested in high-quality Pre-K. These conclusions are supported by similar findings from a study by the Federal Reserve Bank. This much is clear: Pre-K is a key investment for closing the achievement gap and improving the standard of living in Mississippi.

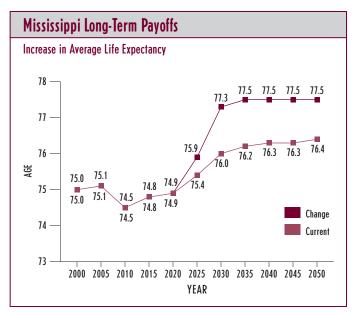
These returns will come to Mississippi in the form of increased tax contributions of more productive workers and from government savings arising from reductions in failing students, juvenile and adult crime, unemployment, and welfare-related costs over time. In addition, by enabling increased gains in overall education, Pre-K in Mississippi also will enlarge the number of citizens who vote, volunteer, save for retirement and contribute to the common good.

Along with the other goals, Pre-K gains can help make a big impact on the Mississippi economy. If Mississippi, for example, were to establish and attain a simple, specific target — to increase both high school and college enrollment by an average of only 1½ percentage points each year for 25 years (little more than the educational life of one generation of students) — the state would realize incredibly large economic results.

By making these small, steady gains in education over time, Mississippi would accelerate its state economy above past rates of growth by as much as one-third as of the year 2050. By this date, the extra economic growth from improved education would increase the Mississippi economy by approximately \$15 billion annually and provide an additional \$1.8 billion in state revenues each year.

These would not be the only gains for improving Mississippi's quality of life that would come through a small, steady increase in high school and college enrollments. Among other things, the average life expectancy for Mississippians, who today have the second lowest rate in the nation, would increase at a more rapid rate — adding almost an extra year to the life span of the average Mississippi resident.

Mississippi's past performance is not a viable option for the future of its educational system. The simple fact is that the state has failed to adequately educate most of its children to be competitive in a global economy, and the gaps in educational investment, achievement and attainment by race and income reflect huge deficits in children's learning and in the whole state's progress. Mississippi will never recover and prosper if it does not set *and achieve* higher and broader goals for education.



Source: SEF Commissioned Projections

goals & strategies



Goals and Strategies to Change Education and the Economy

The past need not be the terms of the future. There are three simple goals that hold vast potential for transforming Mississippi's education and its economy over the next generation of families and students. They are:

- Give children a good start in school
- Increase enrollment and graduation rates in high schools and colleges
- Reduce educational disparities identifiable by race and income

These objectives should be the measure by which everything in Mississippi education is done. They will require Mississippi schools, policymakers, business and civic leaders, community leaders, citizens, parents and students to abandon some of the routines and patterns of the past. But, the strategies to attain these goals do not require rocket science. They demand commitment over time.

The primary strategies that state authorities and local school districts should follow are:

- Start and rapidly expand state-supported, high-quality Pre-K
- Provide adequate funds and resources for student learning
- Strengthen college-readiness in middle and high schools
- Align educational spending to areas of most need

Of course, these strategies are not self-executing and will require added public will, public policies and public financing. Yet, they define the primary terms for actually rebuilding Mississippi education and its economy, and improving quality of life for the entire state in the long run.

Conclusion: Mississippi at the Crossroads

Mississippi is at a historic crossroads in education. The state has miles to go before it can both provide all its children with an adequate, equitable opportunity for educational advancement, and build the human capital within the state that will break the cycle of underattainment and underinvestment in education. For far too long "50th in the nation" has been synonymous with Mississippi. The state can change direction and begin a new pattern of investments in education that will enable Mississippi, within a generation, to begin to close the educational and economic gaps that have existed for more than a century.

This much is clear: Education is today, more than ever before, the primary engine for the state's economic growth. Mississippi leaders should use this moment in history, in the aftermath of one of its worst disasters, to turn the state around by rebuilding education. And there is no better investment for the state's future economic and social progress than beginning to provide state-supported Pre-K for all young children — especially low-income children.

If Mississippi leaders today will go the extra mile and make additional investments in education now, the state can finally progress steadily toward the future its residents seek. It will not be easy nor will it be completed quickly. But Mississippi can become as prosperous as the nation with a quality of life second to none through education.

... there is no better investment for the state's future economic and social progress than beginning to provide state-supported Pre-K for all young children ...

conclusion

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