



Views You Can Use

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The global economy is a recurring topic in my speeches and in this briefing. The Model Schools Conference on June 25-28 will feature presentations by education leaders from China, India and Singapore along with U.S. model schools. If you haven't made plans to attend the Conference, now is the time to do so. The [Conference Web site](#) lists some of the schools and education experts confirmed to date. Also on that site is the latest information on hotels.

The 2006 Conference will be the biggest and best in our 14-year history. I hope to see you there.

Sincerely,
Bill Daggett

Globalization

Were Fears of Outsourcing to India Unfounded?

It wasn't long ago when Americans feared that their jobs would be lost to Indian workers. For a time those fears had merit, especially in the information technology sector. Times have changed, however, and India is no longer just interested in call centers and basic technology support. India's economy has matured, and high-skill jobs in the research and development industry, many with U.S. companies, are opening up at such a great rate that there is now a shortage of Indian engineers.

Technology employment in the United States is growing as well. There are 17% more workers in the tech industry than there were during the height of the dot.com boom in the late 1990s. The Bureau of Labor Statistics forecasts a 30% increase in tech jobs in the United States over the next decade. American companies are keeping high-skilled jobs that require face-to-face interaction on U.S. shores and outsourcing all work that can be done "over the wire." India is still the preeminent destination for this work. The wage demands of India's highly educated, English-speaking workers are still a bargain for American companies. The average annual income in India is \$737, compared to \$42,027 in the United States. College-educated Indian workers earn one-fifth of what their counterparts in the United States make and often work 12-hour days, six days a week.

Source: Keith Naughton, "Outsourcing – Silicon Valley East," *Newsweek*, March 6, 2006.
www.msnbc.msn.com/id/11571580/site/newsweek/from/RSS/

Education Trends

ACT Report Urges High Schools Not to Neglect Reading Skills

A new report from ACT, the testing company, found that of the 1.2 million high school students who took the ACT college entrance exam last year, only 51% demonstrated the reading skills required to succeed either in college or in job training programs. This percentage is down from 55% in 1999. The study

defined student “readiness” as having a 75% chance of earning a grade C or better and a 50% chance of earning a B or better in certain freshman-level social science courses.

ACT officials were scheduled to discuss their finding with legislators in Washington, D.C. on March 1. One key finding likely to grab their attention is that more students appear on track to achieve college-level reading skills in 8th and 10th grades than are actually ready by the time they graduate. Somehow, reading skills do not continue to develop in high school. The ACT report recommends that all states consider adding higher-level reading skills into state standards and encourages schools to incorporate more complex reading materials across the curriculum.

The following breakdown shows how various groups who took the ACT did in meeting the college readiness benchmark for reading in 2005.

GENDER

Female	53%
Male	49%

RACE/ETHNICITY

White	59%
Asian American	54%
Native American	36%
Hispanic American	33%
African American	21%

FAMILY INCOME

Over \$100,000	70%
\$30,000 to \$100,000	54%
Under \$30,000	33%

Source: Mary Beth Marklein, “Report: Keep Focus on Reading Skills,” *USA TODAY*, March 1, 2006.
www.usatoday.com/news/education/2006-02-28-reading-skills_x.htm?csp=34

Demographics

Teacher Contracts in Los Angeles a “Time Bomb”

The fiscal problems with health care obligations facing school systems mirror those that other employers are experiencing. In February, Los Angeles school officials discovered that their original estimate of \$5 billion for their unfunded health care obligations for retirees was only half of the new estimate of \$10 billion. Currently, Los Angeles sets aside \$1,000 of its \$5,500-per-student budget to cover health care cost of working and retired teachers. Covering the new \$10 billion obligation would require \$2,087 per student.

Most school districts across the country aren’t even aware of what they owe, but one day soon they will realize that they are unable to meet the financial obligation of the contracts they agreed to. As health care cost continue to rise, the contracts will leave schools with less money to hire teachers to replace those leaving the workforce, less money for raises, and little option but to freeze pension programs for future teachers. In the end, it is children who will suffer most. The money required to support a quality education will not be available.

Source: "Schools Face 'Death Spiral' – Schools Must Choose Between Students' Needs, Teachers' Benefits," *USA TODAY*, February 15, 2006.

www.usatoday.com/news/opinion/editorials/2006-02-14-our-teachers-health_x.htm

Nanotechnology

Harnessing the Sun's Rays ... Even on a Cloudy Day

Scientists have developed a nanotechnology-based plastic solar cell that, for the first time, is able to harness the sun's invisible infrared ray. The new technology makes it possible to convert the sun's energy into electrical power even on a cloudy day. The nano-solar cells could become five times more efficient than current solar cell technology allows. Unlike the huge, unsightly clusters of solar cells we have become familiar with, the new plastic solar cell will be far more versatile in its ability to generate electricity. For example, a composite containing the plastic solar cells could be sprayed on a sweater or painted on a car and generate enough electricity to power a cell phone or continually recharge a car's battery.

Researchers envision one day creating "solar farms" in which a material containing the plastic solar cells could be rolled out across a desert and capture enough of the sun's energy to supply the Earth's power needs. Ted Sargent, electrical and computer engineering professor at the University of Toronto and one of the inventors of the technology, theorizes that "if we could cover 0.1% of the Earth's surface with [very efficient] large-area solar cells, we could in principle replace all of our energy habits with a source of power which is clean and renewable."

Source: Stefan Lovgren, "Spray-On Solar-Power Cells Are True Breakthrough," *National Geographic News*, January 14, 2005.

Information Technology

Reading with a Critical Eye Is More Important than Ever

To gain perspective on how much people have come to rely on the World Wide Web to access, gather, and process information, consider that Google processes about one billion searches every day. Thomas Friedman, author of *The World is Flat*, reported this staggering statistic and indicated that our reliance on networked information systems continues to grow. Three years ago, Google processed only 350,000 searches a day. Friedman also reported that only one-third of the search requests were placed in the United States and only half of the searches were in English.

Before the Web, information typically was provided by a knowledgeable source who abided by standards of value and ethics related to that information. Today, the responsibility of upholding ethical and reliable standards of data manipulation, management, and reporting lies solely with the individual who creates it and those who access and use it. In this age of information technology, reading with a critical eye is a skill that everybody who logs onto the Web must have in order to wade through oceans of potentially unreliable information. The admonition, "Don't believe everything you read," has never rung more true.

Source: David Warlick, "Information Overload," *i.e. (interactive educator) Magazine*, Autumn 2005.

India By the Numbers

- More than 125 Fortune 500 firms have research & development (R&D) bases in India today.
- In 2005, India passed the United States as a preferred location to invest in.
- India has 17 major languages, 22,000 dialects, and all of the world's major religions.
- Village councils must reserve 33% of their seats for women.
- There are one million elected women in villages across India.
- Information technology-related services could exceed \$36 billion in earnings this year.
- Around 66 million Indian households have cable or satellite television.

Source: Fareed Zakaria, "India Rising," *Newsweek*, March 6, 2006.