

The
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The Economic Club of New York

115th Year
676th Meeting

David C. Banks, Chancellor
New York City Department of Education

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Webinar

Moderator: Ed Cox
Retired Partner
Patterson, Belknap, Webb & Tyler LLP.

Introduction

President Barbara Van Allen

Good morning and welcome to the 676th meeting of The Economic Club of New York.

I'm Barbara Van Allen, President and CEO of the Club. It's an honor to be here with all of you in our milestone year, our 115th anniversary. And we hope you can join us for our special anniversary dinner on November 14th. We have an exciting evening planned.

The Economic Club of New York is the nation's leading nonpartisan forum for discussions on economic, social and political issues. And over the last century, we've had more than 1,000 speakers come from all parts of the world.

Over the past two years, through our Diversity, Equity & Inclusion programming, we've been leveraging the Club's platform to bring together prominent thought leaders to help us explore, better understand, and address the various dimensions of inequality in underrepresented communities. Our emphasis at the Economic Club is on strategies, best practices and resources that the business community can use to be a force for change. We're not doing this work alone. We'd like to give a special thanks to our corporate partners – BlackRock, Bloomberg, Mastercard, PayPal, S&P Global and Taconic Capital – as well as the many members, speakers and subject matter experts that have helped us with this work and remain engaged.

A special welcome to members of the ECNY 2022 Class of Fellows. This is a select group of diverse, rising, next-gen business thought leaders, and this year's class numbered 55. We now have the applications open as of October 1 for the Class of 2023. So please consider sponsoring a Fellow. Joining us today, we also have students from the CUNY Graduate Center, the NYU Stern School of Business, my alma mater, the Gabelli School of Business at Fordham University, and Rutgers University. So thank you to the students as well.

Today, I am truly honored to welcome our special guest, David C. Banks. David is Chancellor of the New York City Department of Education, which is, for those that don't already know it, the largest school system in the nation. He's the former President and CEO of the Eagle Academy Foundation, and the founding principal of The Eagle Academy for Young Men, the first school in a network of innovative all-boys public schools in New York City and Newark, N.J.

David's vision of education emphasizes a partnership between schools and communities based on the guiding principles of academic excellence, leadership, and character development. With the Eagle Academy Foundation, he set out to prove that a high-quality college preparatory education for young men of color can be provided in a public-school setting.

In 2004, he led the establishment of that first Eagle Academy for Young Men as part of New York City's high school reform initiative in partnership with 100 Black Men. The Eagle model has since been adopted in schools throughout all five New York City boroughs and Newark, N.J., expanding nationally through the Eagle Institute.

In 2019, in partnership with Scholastic, he helped curate the Rising Voices Library, a collection of nonfiction, biographical, and fiction books celebrating Black and Latino boys designed to provide students in grades K-5 high interest, culturally-relevant texts that give context to what they're experiencing in the world around them.

David is co-founder of Black EdFluencers United, an organization dedicated to influencing and developing the capacity of Black educators and raising awareness about systemic challenges within education.

The format today will be a conversation, and we're delighted to have Club Officer, Ed Cox, a corporate and finance lawyer who formerly chaired the Corporate Department of Patterson, Belknap, Webb & Tyler, doing the honors of moderating. Ed has been involved in school choice with New York Catholic schools and 50 of New York's charter schools for more than a decade. He was the authorizer of the Charter School Committee of the State University of New York for ten years. As Co-Chair of the New York Business Task Force for the Committee for Economic Development, he's been

working with the Chancellor's team to engage New York City businesses in the Chancellor's Pathway Program, which I'm sure you're about to hear more about.

We will be using the chat box for the conversation. If you have any questions, please go ahead and enter those into that chat box and we will use them if time permits. As a reminder, this conversation is on the record and we do have several different media outlets on the line. With no further ado, Ed, I'm going to pass the mike over to you.

Conversation with David C. Banks

ED COX: Thank you very much, Barbara, and Chancellor, welcome to the Economic Club. I appreciate very much you're making yourself available for this meeting.

DAVID C. BANKS: Thank you.

ED COX: As Barbara said in your introduction, you actually founded an alternative school within the system, the Eagle Academies, which has now expanded into all five boroughs. And that was part of what Manhattan Institutes indomitable Ray Domanico, perhaps one of the best and most thoughtful writers about our school system, called the new-schools movement that had a huge impact on New York City's public schools from 1994 to 2014.

And he went on to write earlier this year that the success of these new schools helped transform the city's public education, doubling graduation rates, and specifically that David Banks' crucial role in it offers reason for optimism that New York City can recreate its past successes with you as Chancellor. Give us a sense of what your background with these alternative schools as a founding principal, how it prepared you to be Chancellor and how it formed your vision and goals for the school system.

DAVID C. BANKS: Well, first of all, thank you, Ed, to you and to Barbara, for inviting me to be with you here today. It's really a delight. I'm a product of the New York City public school system. My dad was a New York City police officer. I'm a Brooklyn-Queens kid. And I got a good solid education in our schools as did my brothers. My mom and dad raised three boys. I'm the oldest of those three.

I had no intention of becoming an educator. I went to school thinking I was going to become a lawyer, which I did, but I ultimately went back to school to get my educational requirements and ultimately my educational leadership requirements after becoming a teacher, while I went to law school at night. And I loved it. I loved it, Ed. I had a real love for working with young people and I saw their vitality, their brilliance.

And that ultimately led me into a career being in education, where I was a teacher, an assistant principal. I was a principal for 11 years of two different high schools – the

Bronx School for Law, Government, and Justice and then ultimately The Eagle Academy for Young Men. And both of them were “alternative schools” in the sense that they were not part of the big traditional high schools that many of us knew growing up.

But some 20-plus years ago, the Gates Foundation put some dollars into the school system around high school reform. Mike Bloomberg was mayor and Joe Kline was our chancellor. And they, I think, really leaned in. The work had started before them, but they really leaned in to take to a different level. And essentially what they were doing was breaking up a lot of big schools that had not been working well into smaller learning academies where every student would be known well by some adult with the goal that nobody would slip through the cracks and that we would be able to actually increase overall academic achievement. And they did an amazing job.

And the work that I did at the Law, Government and Justice and the Eagle Academy were both the byproduct of that effort. And so I was in it really from the very beginning. It was built upon corporate and public partnership as well, which I also think has been a real key to the success in creating innovative new schools. The school system alone cannot achieve the levels that we need for all of our young people. We need the broader community, the community-based organizations, the business community to be involved and that’s what it represented, and I come from that body of work.

ED COX: Well, Chancellor, you are definitely committed to drastic change, as you said, with respect to the system. And as the largest and most diverse American school district, 1,600 schools, one million students, \$38 billion budget, it's a huge ship to turn around. Thirty percent don't graduate. Thirty percent don't go on to get a college education. How do you propose to turn this system around?

DAVID C. BANKS: Yes. There are a couple of things. Our theme that we're working from is Bright Starts and Bold Futures – Bright Starts and Bold Futures. So here's what I'm talking about. This is what that means. We have to establish the bright start for young people. They need a very solid literacy foundation in order to be successful as they make their way throughout their school journey. All the research tells us that if young people have not learned to be proficient in their reading by the third grade, you're going to be fighting an uphill battle the rest of the way.

I've got a man, there's a man, he's been standing out in front of our public schools headquarters for over ten years, well before I ever got there, with a sign that said if we would just teach the kids to read, we would solve a lot of problems. It's amazing when you think about a school system in New York that has \$38 billion annual budget, if we didn't do anything else, we ought to ensure that everybody can read and read on grade level. So to me, I see that as the very basic foundation that I'm fully committed to ensuring that that happens. We have teachers who are smart, who are caring, who are

committed, but they were coming up short because the approach, I think, was fundamentally flawed.

For the last thirty years, we've been doing something called balanced literacy. And it's an approach to reading, but the research is in and it has not worked well enough. Many of us grew up in an era where we learned to read through phonics. The phonetic approach to the teaching of reading was really what the country was built on. And we got away from that here in New York and in many other parts of the nation. We are returning to a tried-and-true method to ensure that all kids know how to read. So that's the number one thing that would be part of, like the overarching vision and focus for this administration. You've got to get it right at the outset.

Beyond that, it's bold futures. So for the young people who go through the whole, you know, Pre-K all the way through 12th grade, and then they ask the question, now what? What am I supposed to do? We've done a good job of graduating kids but we have not prepared them for college and career. And that's where we're leaning in with a very different body of work that says we have to make school much more relevant, much more meaningful, much more purposeful, Ed, so that young people understand, particularly as they're in middle school and high school where they're going, what are the possibilities for careers for them, for those that don't go to college. And for those who go to college, that we make sure that they have the skills to be successful in

college because we're not graduating the students that we should be graduating.

And think about this for a moment, in 2009 we started out with 80,000 ninth graders in our schools, 80,000. Four years later, we only graduate 67% of those kids. Six years later, when we look at college graduation rates, we've only graduated, out of that original 80,000 in the ninth grade, we only graduate 18,000 with a college degree.

That's only 23%. So we have a tremendous amount of work to do to ensure that those who choose to go to college are fully prepared to complete college. Not enough just to start, they've got to finish. And for those who don't go to college who want to go into the world of work, we have to make sure that while they're in high school, they get the credentials, they get the work experiences so that they can take their rightful place in the 21st century economy.

Right now, we're doing neither. We're not preparing kids well enough to be successful in college and we're not preparing them for the world of work. And everybody who pays taxes in our city should be saying, if we're paying \$350,000 per kid, what is our return on investment? And that's what I'm focused on, it's that return on investment of college and career being much more intentional, much more deliberate. And in order for us to do that we're going to need the business sector to be real partners with us in providing opportunities, in training our teachers to understand what the 21st century economy looks like as well because many of them are not clear enough about what they're

supposed to be preparing our young people for.

ED COX: Chancellor, as you are changing from phonetics to your Pathways Program for real careers, for people who are not going on to college, which is the majority of your students, you have some great schools with great principals who will readily adopt those and make sure that they work. But you have other failing schools also and you cited how the Bloomberg-Klein administration dealt with those, by breaking them up into smaller schools, more purposeful schools. During the DeBlasio administration, they tried another approach – renewal schools, which admittedly cost a lot of money but didn't work. Would you continue the Bloomberg-Klein method of dealing with failing schools? And what might you add to them from your experience?

DAVID C. BANKS: There's a bit of a combination between what Mayor Bloomberg did and what Mayor DeBlasio did. We're trying to take what I think are some of the best pieces from all of it. We're not focused so much on closing schools, which is what Mayor Bloomberg did. They closed a lot of schools. We're going to do some school closings where they're necessary. But what we intend to do is to scale, sustain, and restore what works.

And what I mean by that is, as you point out, there are a lot of great schools around the city that oftentimes are not talked about. We hear about the Stuyvesants and other

schools, but there are some wonderful, amazing schools that are turning out a great product across the city. I want to lift those schools up. I want to celebrate them. But I also want to partner those schools with the other schools that are struggling. Because what happens is that the schools that struggle very often, we lament the fact, we scream about the fact that they're not doing well, but we're not helping them understand how to get better. These are not people who disregard kids. They love kids. They want to do better. They don't know how. And there's no better way to learn than to learn from your colleagues.

I'm pairing schools that are struggling together with schools with similarly-situated populations who have figured it out. And we want those other schools to help show the struggling schools how they can get better. And I think that that is going to yield some significant change for us. That's certainly my belief. I made an announcement this morning on the steps of our headquarters at Tweed with a couple hundred members from the community, credible messengers, which we're also going to be deploying these community-based organizations in support of our schools. These are members from the communities where these schools are located who are going to be providing all manner of support, from high dosage tutoring to chess and sports and recreation programs that really inspire kids to do better.

Our professional development services for the teachers and the leadership in the

school, safety measures, violence prevention coordinators, it's a wide range of organizations who are represented right in the communities where these schools are. We've deployed them now into about 138 different schools in the city, and I think we're also, the combination of all of these things, I think over time, it doesn't happen overnight, but over a period of time, I think we'll begin to see a significant level of change in all these schools.

I'm very committed to everybody being successful. I'm not committed to a system of winners and losers. For a long time, we salute those who do well, and the others, you know, we cast dispersions. When schools don't work out, those are children whose lives are impacted, their families, the community. I need for everybody to win. And so we're trying some different approaches to help get there.

ED COX: Chancellor, in that process, what is the value of charter schools? They're now about 15% of the students in the city. And they were heavily promoted by the Bloomberg-Klein administration, restrained by the DeBlasio administration. But what is their value with respect to your system that you are in charge of? And should they continue to expand? Should the cap be taken off of them? What is your view of charter schools?

DAVID C. BANKS: I'm a supporter of charter schools. I have always been a supporter of

charter schools. Here's where I think we are because there's the political side of that question and then there's the pragmatic side of that question. So I'm going to tell you where I think I stand on both.

On the political side, the charters are facing a very serious uphill battle as it relates to the overarching expansion. The political landscape has changed over the last couple of years. You don't hear as much of a clarion call for charter schools as you did. The charter school leaders are very much aware of that. That is a fight that they will have to continue to fight themselves. I've not been charged with leading the work of the charter schools, but what I have said, and I met with the New York City Charter Schools Center just two days ago, and on their board are some of the largest philanthropic organizations in the city.

What I have said to them is that I think the place and space for us to partner is in scaling, sustaining, and restoring what works, going right back to that pillar again, which is there are charter schools that are doing wonderful and amazing work. I want them to live up to the very notion of why charter schools were created in the first place. Charter schools were never created to have market share within the traditional public school system. That was not what the original idea for their creation was. They were created to be labs of innovation that would then feed back into the larger system to show the traditional public schools a way forward. To be a beacon and blueprint, if you will.

Somewhere along the line that changed and you began to have two systems – charters and traditional public. I'm looking to merge them. I'm looking to have the charter schools that have done wonderful and amazing work, I want them to teach and support the traditional public schools. If you've got an innovative way to teach math, everybody should know it. It shouldn't be a secret. It shouldn't be only a few schools know it because, you know, we want the philanthropists to give us all the money. It should be, no, no, we figured out a way that could help everybody and so let's teach and support everyone in learning these new innovative approaches that you've developed.

And I will tell you, Ed, it also works in reverse. We've got innovative traditional public schools which have not had much of a marketing campaign but they are phenomenal schools that nobody talks about. They've got something to teach as well. They can teach other public schools, and we're setting them up to do that, but they can also teach charter schools a thing or two. And so, you know, nobody has a corner on innovation. Innovation exists in all of these places and spaces but it doesn't exist in enough places. And what I want to do is to take the charters, take these great public schools, I want them to come together in a spirit of partnership, and then let's work together to figure out how we can make sure that everyone gets exposed to the most promising practices so that everybody can get better. That's where I stand as chancellor and that's where I'm very focused. I don't want winners and losers. I want everybody to win.

ED COX: That harkens back to your experience with your alternative schools, with the

Eagle Academies where you actually took new approaches and they actually were adopted by the school system. One of those things, and you mentioned it with the community group that you were speaking to this morning, about safety, and safety is, it's a major issue in the streets. The mayor was elected for safety in the streets. He campaigned on it. Many people think of it in schools as metal detectors, but I think you have a different vision of safety that's much broader. Maybe you'd like to discuss that.

DAVID C. BANKS: Yes, when I think about safety, I think about safety twofold. I think about physical safety and I think about social and emotional safety, how young people are actually feeling on a daily basis. Because if you don't feel safe in your own body, if you're being bullied, you know, if you are subject to being in a school where people are not accepting of who you are in your own identity – no matter what that is – then your safety is at risk as well. Safety is not just about, you know, is somebody bringing a weapon to school, but your own social and emotional safety is just as important.

So from a physical safety standpoint, we've deployed more school safety agents into our schools. I think they're important. And for those who don't know, for one year before I was a teacher, I was a school safety agent. I actually wore a uniform of school safety at Clara Barton High School in Brooklyn. It was a great experience for me also just to see how schools work through the lens of safety agents and so I count myself in that number. So we are steadily increasing more safety agents in our schools, number one.

Number two, in light of all these mass shootings that we have seen around the country, we're moving very quickly to lock all of our school doors. And so we'll be announcing that soon enough. We're getting ready to do a contract to get a door locking system and cameras so that once all of our children are in school, we will be able to lock the doors. All the doors are locked now except the front door. We want to be able to lock the front door as well. And then that way, anybody who is approaching the school will have to identify themselves and we'll be able to ask all the appropriate questions before allowing them entry into the buildings. The one thing that keeps me up at night is this idea around these shootings that we've seen all around the nation. We do not want to see that happen to any of our children so we're working really hard to ensure that.

But the other part of it is the social and emotional safety. And that comes in how we are training our teachers, training our adults, making sure that all kids feel safe. If you're an LGBTQ student and you feel like you're being bullied and people are not accepting of you, that's a problem. That's a safety issue. And we're working on that. We want to make sure that our counselors, our social workers are also working with all of our students to help them to make healthy choices for themselves. A lot of our kids are coming from families that have experienced lots of mental health challenges and that will have its impact on young people as well. And so these are all the kinds of things that we're doing. These things take time. They don't change, you know, overnight, but they are all things that we are fully committed to.

ED COX: Thank you. Another major political issue that is going around, in fact going around the country is parent involvement in the student's education. It was heightened by Covid when there was a lot of remote learning and parents got to see what was going on in their schools. You actually made a statement that you did not anticipate the lack of parent engagement in the school system and that you, in fact, wanted to see more of that, parents getting involved. How do you anticipate encouraging parent involvement in the school system?

DAVID C. BANKS: I will tell you, the number one thing that I have seen since I've become chancellor is that there's been a broken trust between the schools, the school system and parents. It is the one thing that I have spent probably more time dealing with where parents just don't believe in the system anymore. You know, during the last five years we've lost 120,000 families. In the last two years alone, 70,000 we've lost. So this spiral downward was happening before the pandemic and it accelerated during the pandemic. I've got to turn that around. In order to turn that around, parents have to feel heard. They have to feel respected. When policies are created, they have to be created with parents. They have to help co-create these policies for their children. All too often they've seen educrats and bureaucrats from downtown coming up with ideas that, you know, we somehow think we're smarter than they are and we're going to tell them what's best for them. Parents have been rejecting that notion and they've said these are our children, we have an idea also about things that we think that would work

well for them and we'd like a seat at the table. And I have offered up that seat and I believe very much in it.

When I was the principal at Eagle Academy and the Head of the Eagle Academy Foundation for years, that was probably my middle name, parent engagement. I believe in parents. I believe in community. I don't see the parents in the community through a deficit lens. I understand that they may be raising their families in poverty in some challenged neighborhoods, but they also have their own sets of assets. And they will appreciate when you see that and you believe that they have something to offer as well. If you see everything that they represent through a deficit lens, then they have a healthy disrespect for that. And now you're out there fighting for them by yourself. I don't want to do that. I want to do it with our parents and with our families.

And I've been a voice for that. I've been a voice for the community, that I believe in community engagement. Not just parent engagement, but the community. There's an old adage that says, "it takes a village to raise the child." And I believe in that, and when you believe in that and you live that, you will engage those community members, those elected officials, those credible messengers from the community who stood with me today on the steps of Tweed at the New York City's public schools headquarters. It was an awesome display of community. And I think when people see that, and they see that this is a chancellor who values community, it makes all the difference in the world in

how we work together on behalf of all of our children.

ED COX: One of the major issues that schools have had to deal with had a huge impact on children's education across the country is the Covid pandemic. And when you came in, in January, one of the first problems you had to deal with was this huge spike up in the city in Covid cases. And I know there was pressure on you to close down the schools and I think you insisted on keeping them open and they stayed open. Would you continue this policy if this winter there's another spike up in Covid?

DAVID C. BANKS: Well, I would tell you, it's certainly my expectation and it's certainly my hope, I'm really hoping that we are on the other side of this Covid issue. Our kids and our teachers, our educators, have all suffered. We've all suffered. But in the schools they suffered, I think, at an even higher level. Because the whole nature of schools is about relationship, connection, people being together. And to have been separated from that spirit, if you will, of togetherness for two years, took a tremendous impact. We will continue to follow the science. I don't make these decisions on my own. I work in collaboration with the mayor and all of our health professionals and so we'll be watching and monitoring it very, very closely.

But I would tell you, all things being equal, our goal is to keep the schools open. And we're going to do everything we can because we've seen just how much loss we have

suffered when we close the schools. The schools, in many ways, have been the safest places for kids to be. For many of our kids, it's been safer than even being in their own homes, in their own communities. And it's because of a lot of the things that we put in place in the schools to keep the schools really safe. So I would tell you that everything that we're doing is designed for us to keep those schools open and keep a sense of normalcy in the lives of our kids. That's what we're going to be very focused on and that's what our intention is.

ED COX: One thing that came out of Covid that is new, and that's remote learning and virtual learning. And, of course, availability of the internet and a lot of issues were raised by that, which I think are being solved now. What's your view, assuming that it's not a Covid issue going forward, what is your view of remote learning and how would you use it in the way your system works going forward?

DAVID C. BANKS: I think remote learning is here to stay, and I think that's actually a good thing. It'll have various iterations going forward but the ability for us to use technology and to use distance learning, virtual learning, I see it well beyond just, you know, the teacher is in the classroom and you're at home. I see connection across the nation, across the world where young people having an opportunity to have a teacher from another part of the world teach them lessons that they may, in fact, be expert in. Getting a deeper dive and a deeper understanding about various cultures around the

world. So you no longer have to be limited to just the teacher who is in the front of the classroom within the four walls of the school.

Virtual learning allows us really to say the classroom is now unlimited. New York City is your classroom. The United States is your classroom. The world is your classroom, and beyond the planet. I mean we've got billionaires flying into outer space. Imagine them teaching the kids and talking from outer space and doing professional development for our teachers – the scientists, the architects who design these spaceships. There's so much learning. There's math. There's science. There's architecture that's designed as part of that overarching process. These folks can teach our teachers. They can teach lessons to our kids. You know, the meteorologists who are dealing with climate change and watching and seeing as all these things are happening.

We can make education relevant, meaningful, and it doesn't have to be limited to just that person who is in the classroom with you. That's how I see it. We've created now two virtual learning academies this year, one in the Bronx and one in Harlem, that we're going to expand into fully developed schools by next year. We're doing professional development on blended learning for all of our teachers. You know, one of the upsides of the pandemic was our kids were always ready for this technology. They're well-versed already. It's a lot of our adults who needed to get with it and so it became a ready-or-not situation with the pandemic that they had to catch up. And many of our

adults, our teachers are much more well-versed now in how to do this.

So our traditional classroom is not going anywhere, but we think it can certainly be enhanced and we can elevate teaching and learning experiences through the use of technology, and what's what I'm really excited about. I think the possibilities really are endless, Ed.

ED COX: Chancellor, that's a very exciting vision, coming out of the terrible problems of Covid, going forward. And it would be wonderful if it could be implemented here and I could see it spreading to school districts across the country. But one of the downsides is there is a learning deficit because of Covid. And I know you had Summer Rising schools to try and, to compensate for that, particularly with respect to math, not so much with reading. How successful was Summer Rising? And do you see it evolving into a longer school year and longer school days, such as the charter schools, success with charter schools and your alternative schools had?

DAVID C. BANKS: Yes, I think so. I think over time that's probably where we're going with longer school days. I think the summer program that we had was tremendously successful, impactful. Academically, I think it was tremendously helpful. And I think socially and emotionally, it was really helpful. Again, it was a continuation of the reinforcement of our return to normalcy. And we also encouraged our schools, our

teachers to get the kids outside of the four walls of the schools, to take them around New York City. New York City should be their classroom and they did a lot of movement within the programming as well. And I think all those things worked to their benefit.

But as it relates to a longer school day, longer school year, those things are still to be determined. The mayor talks about that quite a bit. As you know, those things have to be negotiated with the appropriate unions that have a say in that place and space as well. But I do think that over time we are going to those places because our parents are demanding. Everybody, I think, recognizes that our kids need more time on task. They need to still be engaged in a longer school year so that they don't fall behind. You know, this school system that's set up now, the calendar was based on an agrarian calendar many years ago. So in many ways it's outdated and we need to start thinking much more, be much more forward-thinking in how we are engaging our kids. And it starts with what that school calendar looks like.

But I will tell you, beyond that, because a lot of times that question is raised, and I think more time is an important thing. But I will tell you what's even more important than more time, it's the quality of the educational experiences that our kids are getting every day. Because if you're getting a mediocre level of education, getting more mediocrity is not going to help.

ED COX: Very good.

DAVID C. BANKS: So that's why our focus here is on improving the quality of the educational experience, which is one of our pillars. We're talking about a re-imagined school experience. We can't just go back to what we were doing before. So we've certainly been encouraging our schools to think out of the box, to do new and innovative engagements with young people. Our kids are brilliant, all of them. They've all got a wide range of skills and talents and abilities and it's got to be tapped into. And we need our educators to do that in new and creative ways. That's what we're encouraging. That's what we're trying to support them in doing. It'll take some time for us to get there, but that's our North Star.

ED COX: Your business audience here is very interested in diversity, equity and inclusion programs. And I know you've established a new office, never been established before, of diversity, equity and inclusion in the system. What is the role of that office? And what do you see it doing at the start and eventually?

DAVID C. BANKS: I will tell you, quite candidly, it is about creating more opportunities for vendors, and particularly for folks of color. We have a \$38 billion budget in the New York City Department of Education. We spend with the Latinx community, 0.3%. We spend with the Black community, 0.2%. So if you think about that, the combination,

Black and Latino students, represent 65% of the student population, but Black and Latino vendors represent less than 1%. They really represent about a half of a percent of business that is done.

So when you start talking about education and then the business of education, we give out multi-million contracts on a daily basis. But those communities which are represented as a majority community in the city and our public schools at this time see almost none of those dollars. That has to change. The mayor has given us that as a priority, and that's what that office is very focused on. And so that's essentially where we're trying to go. There have been a lot of walls that have been set up because the Department of Education is the worst agency in the city as it relates to this. And as we've done a deep dive into it, there have been all kinds of these artificial walls that have been set up that prevent people from having access.

I'll give you one example. You're trying to get a million-dollar contract to do something and provide a level of service, one of the prerequisites we've set is that you already have to have a million dollars in the bank. Well, you have a lot of these small organizations, they don't have a million dollars just sitting there and many of them are living check to check. They provide a good service, but they have not had access to capital like that. And so they're told, oh, so sorry, you didn't meet the criteria, and so they move on to others. And so we said, those are not state rules. Those are just

regulations that were put in by the Department of Education. So we're looking to knock down some of those, make the kinds of changes that will work to ensure that there is a greater level of diversity within the spending community. And that's one of the things, that's our major focus with that office.

ED COX: Chancellor, in the same, about equity, there was a lot of talk of equity in the prior administration and terminating gifted and talented classes, terminating the use of grades in advancement to certain middle schools or high schools and tests for the elite high schools. What is your view of what should be done with these programs for equity purposes?

DAVID C. BANKS: Well, that's a great question. I would say this. We've come out pretty clearly that we've turned back the clock. Mayor DeBlasio had sought to get rid of gifted and talented classes. Not only did we not do that, we increased the amount of gifted and talented programs there are. We've put gifted and talented programs in every district in the city. And we did it because we've been listening to the community. New York is just so diverse. I mean sometimes we say that, but I don't know that people always recognize the level of diversity. I see it as the chancellor. And in every community in the city, we have a school or multiple schools, and so I travel around the city. And from every background, every faith, all of these different, it's amazing, the whole world lives here in New York City. And they're all reflected in our public schools.

And so, overwhelmingly, they've said we want more gifted and talented programs. And there have been communities that were left out of it. They said, don't get rid of them, make sure we get them. And so that was the number one thing that we did. We made a more recent announcement about enrollment. And I'm telling you, I had people pushing me from both ends. There were some folks who said there should be no standards for enrollment. All kids, all public-school students, they should be able to go anywhere they want to go. And then there were others who took a different position.

We finally landed on a position of merit. I believe that hard work should matter. And if you've got a son or a daughter who are working their tail off every day and they're studying to make the grade, I think they should have the first shot at getting into some of these more prestigious schools that everybody is trying to work to get into. If you've got a 99 average, you should not miss out on a seat in a school of your choice to somebody who has a 65 average, because, you know, we're all public-school kids. I don't believe that. I don't believe in that. I've heard from the community, and I believe that merit and hard work should matter. And I also don't accept the notion, because many who have asked me to go the other way made it on the premise that Black and Brown kids were not going to achieve at that level so we needed the standard to be lower. I fundamentally disagree with that.

I come from, you know, the civil rights movement was a movement about equity and

excellence and access. And it said, you know, we will achieve at the highest level and when we do, don't close the door. But it never said lower the standard because, you know, we've been through some tough times. I don't believe in that. The mayor doesn't believe in that. And so we've said, keep the standards high, and we're going to lean in to provide the additional resources in those communities that have struggled in order to help them to achieve that level.

So that's where I stand. I had someone tell me that grades were racist, that attendance was racist. I said, you know, you've lost me. I'm not with that. That's progressivism run amok. I'm not a supporter of that. I believe in standards. I believe in excellence. And I believe in equity, but they all work hand in hand as far as I'm concerned and I'm leaning in to make sure that those communities which have been left out get the additional supports that they need so that they can achieve at a level and walk through those open doors as well.

ED COX: Chancellor, you have a great vision for New York City schools and you are setting very high standards for yourself as to what you need to do here. It has been said that you have the most influential job in American schools. The rewards for success with your visions and your goals are great. Not just for the city and its students and its families, but also will resonate across America, Americans, particularly American urban school districts. How will you measure your progress and success? Is it graduation

rates? Is it scores on national tests? Or is it issue by issue? And secondly, how can the business community help you achieve your vision and your goals?

DAVID C. BANKS: I'm going to measure my success, Ed, on a couple of things. One, I want to ensure that by the time I step down as chancellor, our numbers have increased significantly in our reading proficiency. That's probably my number one goal. By third grade, that we're ensuring that every child, by third grade, no later than the third grade, has learned to read on grade level. I think every parent should, at the very least, expect that from a school system. Because you have to learn to read by third grade, and after that you read to learn. And if you haven't done it by third grade, we're fighting an uphill battle and we wind up spending even more money to try and fix it. So the goal is to get it right earlier on.

We've got a lot of kids who are suffering from reading challenges like dyslexia. We've put a number of programs in place. Teachers are being trained all across the city to screen and identify for dyslexia and then putting in the interventions to support those kids who have that as well as other reading challenges. So it's a big job.

I'm also going to measure level of success based upon the Bold Futures. How many kids have we helped to develop a solid secondary plan for themselves? Whether it's college or career or a combination of both, that when they leave our schools, they have

a much clearer plan about what their next steps are. Far too many of our kids have no idea and we have to do better as a system.

And I think the business community can help us by being partners. You know, Jamie Dimon signed up to help us as we're creating these youth apprenticeship programs and committed to thousands of young people through the CEO Jobs Council to have more opportunities. You know, if a young person, you know it's hard for a young person to dream of becoming an investment banker if they've never met one. We need folks to say, sign me up, sign my company up. We'll be mentors. We'll be guest speakers. We can do Career Days. We can help demystify the process so that kids understand the possibilities for themselves. Because when kids see the possibilities down the line, they move very differently.

When you don't imagine yourself working at a place like Microsoft or Google or big, multi-billion-dollar law firms, these kids have no idea what those worlds even look like. If we can at least expose them, and we can use virtual learning and technology to do a lot of it as well. You don't need to bring thousands of kids coming into the firm but using technology you can stay right in your office and there's a level of exposure that you can provide. There are so many ways that we can do this, but we have to have the will. We have to have the commitment.

And I would suggest to you that this is no longer about the business community doing a nice thing, I firmly believe that in this global economy we can no longer afford this much wasted human capital sitting on the sidelines. If we don't get more of these Black and Brown kids, in particular, into the game, we do it at our own peril. The challenges for competitive economics are there every single day. And we've got all of these young people with all of this talent that we have not tapped into. I think they are the secret weapon for the 21st century economy, but our business leaders have to recognize that as well and recognize that these could be their future workforce if they help to work with us to hone it. It can become a win-win for everybody. That's what I'm hoping.

ED COX: And this is particularly your Pathways Program, is that right?

DAVID C. BANKS: That's correct. That's correct. That's where we're trying to go.

ED COX: And how can business communities actually get involved in doing that? I saw the excitement at Hillcrest School when we were there – the excitement among the staff of a new program and what it could mean for their students. But what are the specifics that businesses can lend to that program?

DAVID C. BANKS: Well, you were with me last week at Hillcrest High School, my alma mater. I graduated in 1980. It was tremendously exciting to be there. We announced the

partnership with Northwell Health, the largest provider of health in the city. And they also made a commitment to thousands of new opportunities for young people going forward. This is exactly what we need. I would just say to any of the members of the Economic Club, I would ask them to just let you know if they have any interest, between you and Barbara, to express interest, and we can connect them with the people on my team who can then plug them in, sit down with them. We can let them know what we're looking at and we'd love to meet them face to face and talk about possibilities of partnership. We would welcome that.

ED COX: I think that's a very good closing statement. I appreciate that very much. I think Barbara will now come in and say a few things with respect to the Economic Club.

PRESIDENT BARBARA VAN ALLEN: Yes, and thank you for your leadership, Chancellor Banks. This was just an outstanding conversation. And Ed, as always thank you for doing the honors today.

DAVID C. BANKS: Thank you so much. It was a pleasure to be with you.

PRESIDENT BARBARA VAN ALLEN: Next up, we have a Signature Luncheon with Loretta Mester, the President and CEO of the Federal Reserve Bank of Cleveland. The luncheon will be on Tuesday, October 11. And that will be followed with Ruth Browne,

the President and CEO of the Ronald McDonald House on October 13. That will be a virtual event. We will have a luncheon with Charlie Cook, political analyst at the Cook Political Report, coming back to us again with Bob Rubin, Former Secretary of the Treasury, and that will be again a luncheon in person, October 18. We do have special luncheon pricing for that particular event, so members please check the membership portal. Lee Zeldin, the U.S. Congressman that's a candidate for Governor of New York, is going to join us virtually on October 26 for our New York City Series. And we'll hopefully be announcing a date soon for Governor Kathy Hochul to address the Club in the coming weeks. We have Sebastian Mallaby, the author of the new book, *The Power Law*, which was developed from extensive conversations with top venture capitalists, joining us October 27 for a virtual event. By the way, that book is on the FT shortlist, so it may prove to be the winner. We'll see, but very exciting to have him.

Another very exciting development that just got confirmed actually this morning is on November 9th, we're going to have a luncheon featuring General Mark Milley, the Chairman of the Joint Chiefs. So this could not be more timely and it comes together after a lot of efforts. And so we're delighted to say that the General has confirmed for November 9th for a luncheon. More details to come on that. On November 10th, we have a webinar with James Runcie, the CEO of Partnership for Education. And we also will be, on that day, that will be virtual, we'll be down at the New York Stock Exchange at lunchtime for an event where we'll be hosting Stephen Squeri, the President and CEO

of American Express. As mentioned earlier, we have our 115th anniversary dinner coming up November 14th. We have a panel discussion with former Club Chairs. That will be moderated by John Williams. We're also going to be announcing the winners of the Innovation Challenge so that will be exciting as well. Later in November, we host Arvind Krishna, the CEO of IBM. That will be a Signature Luncheon November 17th. We have Club Chair John Williams talking about future monetary policy, domestically and globally, in a webinar on November 28th. We have Michael Wirth of Chevron, the CEO of Chevron, on December 1st for a luncheon. And then we just confirmed yesterday The Honorable Marcia Fudge on December 7th. And last by not least, we have our end of the year dinner with The Honorable Joe Manchin, on December 8th. So as always, all events are listed on our website. And so please do pay attention for any updates. And thank you all for joining us today for what was just a terrific conversation.

As always, we like to thank our Centennial Society members that joined us as they provide the financial backbone of support for the Club. So please have a wonderful rest of the day. Thank you.