

This Line Has Been Disconnected:
The Break Between Public Purpose and American Higher Education

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The Needs

By now, it is pretty generally accepted, although not by everyone, that the US faces a shortage of skilled workers in the near future. The population is aging, and younger generations will be hard-pressed to sustain an economy that depends on their earnings and productivity. Indeed, among the OECD nations, only in the US and Germany is the population aged 45 to 54 better educated than that aged 25-34.

It also is clear that access to higher education is increasingly difficult for those of limited means, many of whom receive public school educations ranging from indifferent to poor. The chances for education beyond high school diminish sharply for persons in the lower 40 percent of the population based on annual family income.

Population forecasts for the next several decades indicate that growing numbers of young persons entering the workforce will be Hispanic in origin. As a cohort, they are the least likely to finish high school, enroll in college, and graduate. They and African Americans, who also proceed through the educational system at rates below those of whites, will be a substantial portion of tomorrow's workers. The white cohort will increasingly be older.

Community colleges often are assigned responsibility for the "other" population – whose family incomes are in the bottom 40 percent – but there are reasons why community colleges alone cannot be the solution to the access problems faced by states across the nation. First, of course, they don't offer four-year degrees. But more importantly, the chance of finishing a four-year degree is much lower for transfer students than for those who begin at a bachelor's degree-granting institution.

We need a diverse set of higher education institutions ranging from community colleges to research universities, and from open admissions to highly selective. Especially among public universities, there should be a clear mission differentiation to ensure that institutions are responsive to the social and economic needs of their regions and to the full range of persons who can benefit from their services.

This would mean, for example, that regional universities should not terminate programs in teacher preparation and nursing when the schools and health care facilities in their regions need more teachers and nurses.

It would mean that public universities would not be encouraged to emulate highly selective private universities, not because there is something wrong with highly selective private universities but because the two have different missions.

Unfortunately, there are almost no incentives to elicit behavior from public universities that is responsive to their regions. As James Votruba, president of Northern Kentucky University, has pointed out, the recent discussions of performance standards in higher education have been silent about regional responsibility. “I’ve found no state that collects and reports productivity data related to public engagement activity,” he writes. “For reporting purposes, it’s as if no such activity exists.” (James C. Votruba, “Leading the Engaged Institution,” AASCU, 2004.)

In a subsequent article, Votruba reports that the “Kentucky Council on Postsecondary Education has created the Regional Stewardship Trust Fund designed to provide each regional university \$1 million annually to address challenges that confront the communities they serve.” (Votruba, “Leading the Engaged Institution,” Higher Education for the Public Good, Jossey-Bass, 2005. Page 269.) The money appropriated to the fund has been much less than recommended, with an average of about \$300,000 per institution.

Understandably, institutions do what they are rewarded for doing. (“Follow the money.”) If public engagement to meet the needs of communities and those who live in them is an expense rather than a revenue-producing activity, it will not receive more than lip service. The standard mission of universities includes “teaching, research, and public service.” But there is revenue to be earned in teaching and research, and almost none in public service. So it is random, uncoordinated, and unimportant.

What have become important are measures of prestige, and these tend to focus on top-ranked programs, selectivity in admissions, and research volume. In their scramble to get more applications so they can reject more applicants, to win more recognition for selected academic programs, and to

be among the top 30 (or even 100!) research universities, universities tend to lose sight of their importance to the regions in which they live.

As Votruba writes, in today's global economy, "place has become more important than ever....Because in the New Economy, where knowledge is the most important commodity, victory will go to regions and communities that can recruit, develop, and retain a well-educated and creative workforce." To do this, they will need partnerships with the local universities. (Votruba, AASCU, p.3)

This is the irony: An essential response to a global economy is to strengthen localities. Perhaps some universities should start campuses in Qatar or Singapore, but many more should focus on helping their regions adapt and prosper. Perhaps some few universities should be highly selective, but most should be open to as many people as possible who want and can benefit from education beyond high school.

One standard of excellence is rarely, if ever, invoked: "These colleges and universities meet the needs of their state, and the differing needs of its regions, as well or better than the institutions of any other state."

Not Your Usual Performance Indicators

This conference is being held in Virginia, so let's review some performance indicators for its colleges and universities.

- Twice as many 18 to 24 year olds from the highest quintile of family income are enrolled in college as from the lowest quintile.
- About 700,000 persons between 16 and 64 have not finished high school and are not enrolled. About 13,000 persons receive the GED each year but about 10,000 drop out of school.
- The gap in educational attainment between Virginia's most-educated and least-educated counties was 61.3% – the biggest gap in the nation.
- The gap in personal annual income was \$28,264 – the fourth highest in the country.
- Virginia has the sixth lowest percentage among the states of students receiving Pell grants.
- In FY 2005, 11.3% of students at Yale received Pell grants and other federal aid. Virginia had five public institutions with lower

- percentages: the University of Virginia, William and Mary, Mary Washington, James Madison, and Virginia Tech.
- Between 1999-00 and 2004-05, the percent of students at Virginia Tech receiving federal financial aid dropped from 40% to 10%.
 - While 30% of the students at the University of California at Berkeley, a major research institution, receive federal aid, ten of Virginia's 15 public universities enroll fewer than 20% who receive federal aid.

Here is a set of public universities, not really a "system" in any real sense, that is becoming more elite at the cost of not serving the full population of Virginia and all of its regions. Having two institutions (UVa and William and Mary) designated as "public Ivies" a few decades ago was an honor *because they were part of a balanced system of institutions within which there were places for everyone.* Having many, if not most, public universities aspire to elite private institution levels of selectivity is a serious error and a sign of a reward system gone wrong.

While the data are unique to Virginia, most states have a lot in common. Every state is different, but none is as different as it may think it is.

Kentucky, for instance, has a population of about 4,000,000 and two research universities (the University of Kentucky and the University of Louisville). That would seem to be enough in a small state, especially one in which literacy in the workforce remains a problem and the per capita income is only about 80 percent of the national average. Yet at least one of the regional universities has announced its intention to become the state's third research university.

The new campus of the University of California in Merced has announced plans to open a law school, saying that while the state has plenty of lawyers, it does not have enough good lawyers.

Waste and meaningless ambition are almost everywhere.

We learned years ago that it was wrong to assume that "What is good for General Motors is good for the nation." It also is wrong to assume that what is good for individual universities is good for a state or the nation. If the poor and the needy, persons with educational disadvantages, persons who are not at least members of the upper middle class, are not the responsibility

of at least some universities as well as community colleges, they will not be served.

Then we are betting that we can compete in this global economy by educating a technological elite and ignoring the masses. China is making this bet. So is India. But they are much larger populations than ours. For the United States, and for individual states, is this an economically responsible bet? Is it a morally responsible choice?

The US has largely ceased to be a manufacturer of items used in this country. (Try to find an item in a local mega-store that is not made in some other country, especially China.) Now it is shipping sophisticated jobs in finance and advanced technology abroad for the same reason: lower personnel costs. “Why do we need more engineers and scientists, or even college graduates in general,” the argument goes, “when China, India, and other countries are producing a surplus of them to whom we can export work?”

Here we are, then with many of our universities beguiled by a fashion industry emphasis on elitism and exclusivity, and with state reward systems that tend either to reward high fashion or to ignore the issue altogether. Are there any efforts to re-connect public universities with public needs?

There has been one, indeed: the Spellings Commission. Its report was issued about a year and a half ago, though, and it appears to be caught up in the muck of administration change in Washington. Its future is uncertain.

The Commission did not explicitly address what the American Association of State Colleges and Universities calls “public engagement” in regional and community affairs. But it did identify four issues facing higher education today and these speak to public engagement:

1. Access
2. Affordability
3. Quality
4. Accountability

These issues will remain with us whatever the fate of the Spellings Commission Report. They are essentially the issues raised by the Kentucky

Council for Postsecondary Education almost a decade ago as “Five questions we all must answer”:

1. Are more Kentuckians ready for postsecondary education?
2. Are more students enrolling?
3. Are more students advancing through the system?
4. Are we preparing Kentuckians for life and work?
5. Are Kentucky’s communities and economy benefiting?

The Spellings Commission correctly concluded that American higher education could do more to meet its responsibilities. It based its conclusion on such factors as low rates of college enrollment and completion, price increases that exceeded inflation, disregard for cost-effectiveness, complex and often inequitable financial aid programs, and failure to assess student learning. It did not identify the race to become exclusive as a sign of failure, but it could have.

The Commission’s Report generally evoked skepticism and hostility from the higher education community, in part because the most visible institutions in the country are elite and highly selective. The four issues identified are largely irrelevant to them.

Moreover, because so many universities now are “wannabes” seeking to emulate the elite and highly selective, they, too, are not willing to engage these issues (or, on a practical level, the questions asked by the Kentucky Council).

The current spate of publicity about prestige universities declaring themselves “free” to young people whose family incomes are below a certain level is a case in point. The most selective institutions in the country enroll only a tiny percentage of the 18 million people who attend higher education. The fact that Harvard is “free” makes no difference to almost all needy high school graduates in rural regions of any state. Neither does many of the “wannabes” extending the same offer.

“The University of Virginia may be a superb place,” a Virginia elected official said to me some years ago. “But no one from Patrick County (a rural county on the border with North Carolina) goes to the University of Virginia.” With a few exceptions, she was right.

Persons with lower than average annual earnings pay taxes to subsidize universities that do not serve them. Public universities in states like Virginia have become a benefit for the more affluent residents. It's upside-down.

Re-Connecting

In 1988, Governor Gerald Baliles proposed, and the Virginia General Assembly approved, creation of a Commission on the University of the 21st Century. The Commission, composed of Virginians and national higher education leaders, issued its report, *"The Case for Change,"* a year later.

Among other recommendations, the Commission urged greater participation in higher education and an emphasis on the skills and knowledge future generations would need to live productive and satisfying lives while contributing to the well-being of communities, the state, and the nation.

After his term as Governor, Baliles served as Chair of the SREB Commission for Educational Quality. In that capacity, he presided over the publication of *"Changing States: Higher Education and the Public Good"* and a video entitled *"Pink Slips or Greenbacks."* Both emphasized the critical contributions of higher education to individual lives and our collective well-being.

The two reports make it clear that the changes we face today didn't just happen. As Governor Baliles correctly sensed, higher education's role was beginning to change more than 20 years ago. Not only have we not paid attention; we have moved in the wrong direction.

There probably are dozens, even hundreds, of public university presidents and boards that would gladly engage in local and regional partnerships, and that would undertake (even though with some trepidation) to answer Kentucky's questions and the Spellings Commission's criticism. But there are no rewards for doing so: no recognition and no funding. As James Votruba observes, there aren't even any performance measures of regional engagement.

Could that be changed? Yes. Would it be easy? No.

The first step, obviously, is to create different performance measures. The second step is to fund them: to pay for the performance we want.

1. We know that persistence is a problem, so perhaps paying institutions for the students they graduate rather than for those they enroll is a good idea. In 1998, Kentucky began paying universities for students who returned for the second year of study rather than for those who began the first year, because most attrition occurs during the first year and before the second. Retention rates quickly began to improve.

States will have to deal with some knotty problems here for community colleges, because “completion” in the traditional sense (a degree or certificate, for instance) is not the goal of many of their students. A person who transfers to a university or is employed as an HVAC technician before receiving her degree may be said to have completed study at a community college. The “pull” of the university or a job in her chosen field needs to be considered in determining whether she has accomplished her goals.

2. States that want public universities to enroll students from all socio-economic levels, rather than simply competing with one another for the upper income pool, might consider funding formulae that are weighted toward prospective students from lower socio-economic levels – both their admission and their retention to completion of a degree.

The often-maligned practice of declaring the top ten percent of graduates from every high school eligible to enroll in flagship universities might have considerable merit, especially if universities were paid for successful completion.

3. Successful public engagement is not easy to measure or reward. Northern Kentucky University has established a competitive program that makes small grants to departments for regional and community projects (applied research, technical assistance, impact assessments, seminars, and others). The projects themselves are funded and the department receives an overhead payment to help support its activities.

States that are interested in public engagement might consider Kentucky’s Regional Stewardship Trust Fund as a model. Here again, though, it will be important to decide up front on the standards by which university involvement will be assessed. A Stewardship Trust could easily become a slush fund if not held to clear and measurable standards.

4. States need to assess the quality of what public colleges and universities do. What are students learning? Is the research being done valuable to the state? (To my knowledge, there is only anecdotal evidence that university research benefits state economies. Yet state investments in equipment, facilities, and direct support of research is substantial.) Is the combination of a better educated citizenry and public engagement making a difference in communities and regions of the state?

It is interesting that many of the same universities that aspire to campuses in Qatar and Singapore are adamantly opposed to the OECD's current consideration of an international assessment of student learning. A common assessment cannot, many university leaders argue, take into account the great diversity among institutions.

But surely, instruments like CLA (the Collegiate Learning Assessment) seek to measure abilities that all students should acquire, regardless of differences among institutions. If OECD decides to develop an instrument to assess student learning across nations, it could help to develop a new perspective on higher education and its links to the global economy.

5. But the most important change, and the most difficult, is to change the way states have come to view higher education. For decades after World War II, higher education was viewed as both a public and a private good. It equipped individuals to live better, more responsible lives, while helping to build a stronger social and economic structure from localities to the nation as a whole. Higher education then was an economic equalizer. (We still are working on racial and sexual equality.) Now it has become a contributor to the growing economic inequality in our nation.

States need to re-assert control over their public colleges and universities, to make them once again members of coordinated systems with clearly defined missions. What is good for individual universities is not necessarily what is good for people and their communities, or for states and the nation as a whole.

Higher education is just one part of our social fabric. Around the turn of the century, Kentucky mapped the incidence of diseases (lung cancer, heart failure, diabetes), children living in poverty, unmarried teen-age mothers, child abuse, unemployment, and crime. They all correlated closely with poor educational attainment. Higher education plays a central role in the

public health of Kentucky, and probably in other states as well. It should be coordinated as a system in itself, and it should work in partnership with the providers of other essential state services.

It will not be easy to shift our view of higher education in this way. But we saw this coming at least two decades ago. This is a new century with new challenges. We need to think differently about higher education.