

CONNECTION

NEW ENGLAND'S JOURNAL
OF HIGHER EDUCATION AND ECONOMIC DEVELOPMENT
VOLUME V, NUMBER 2

SUMMER 1990 \$2.50



New England's Congressional Delegation Speaks Out

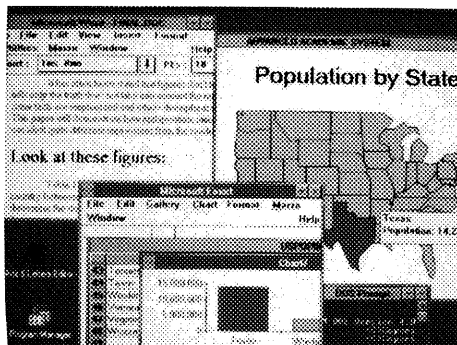
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U.S. lawmakers
outline priorities for education
and economic development

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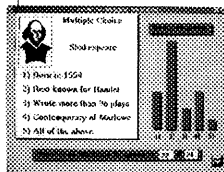
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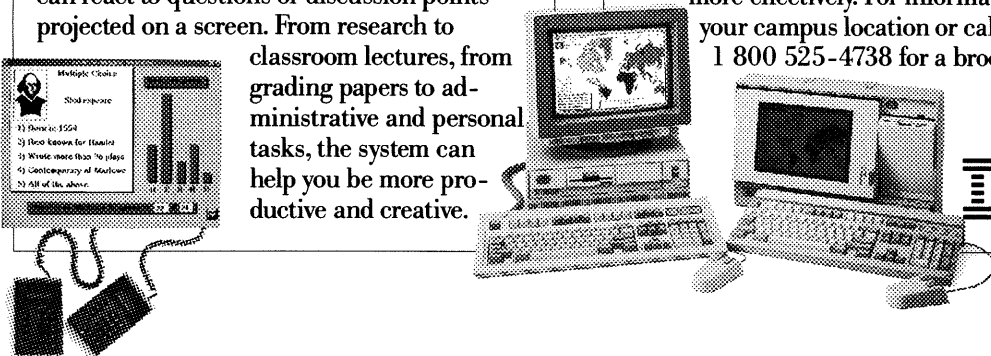
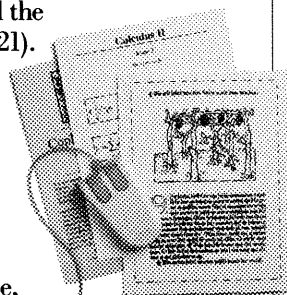
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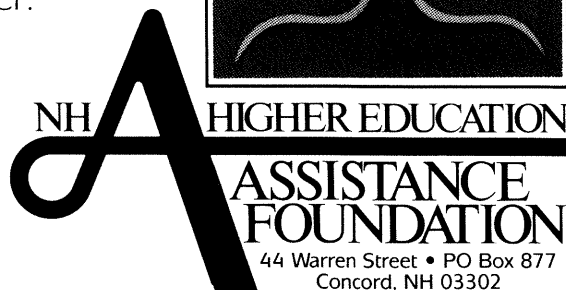
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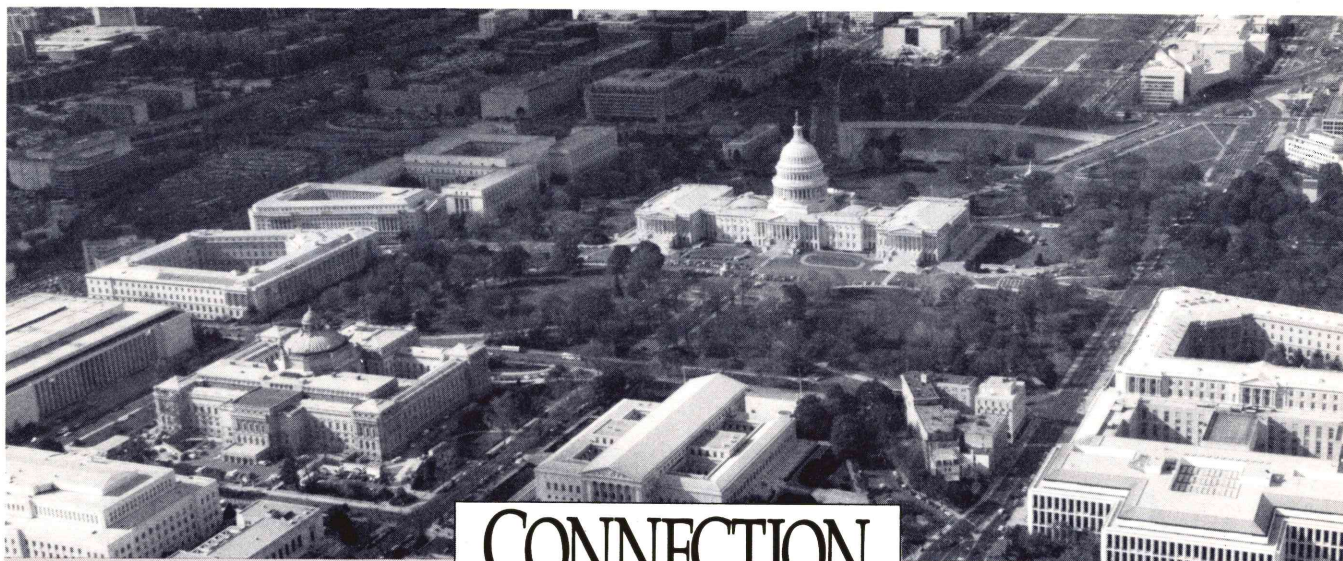
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Connection: New England's Journal of Higher Education and Economic Development is published quarterly by the New England Board of Higher Education, 45 Temple Place, Boston, Mass. 02111.

Phone: (617) 357-9620

FAX: (617) 338-1577

Vol. V, No. 2 Summer 1990

ISSN 0071-3643

Copyright © 1990 by the New England Board of Higher Education.

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Subscription Information: \$16 per year (4 issues); WI, SP, SU issues \$2.50 each, Fall/Facts issue \$12.00. Printed by Wellesley Press, Framingham, Mass. Advertising rates available upon request.

The New England Board of Higher Education

was established as a nonprofit agency by the New England Higher Education Compact, a 1955 agreement among the six states that was ratified by the U.S. Congress. It is the purpose of the Board to advance and develop programs that encourage higher educational opportunities and improve efficiency in the use of resources among New England's public and independent colleges and universities.

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EDITOR'S MEMO

Asking national leaders to expound on the nation's priorities can be as risky as it is rewarding. The reason is that priorities—and the assumptions they're based on—can change quickly. And they have.

When we approached members of New England's congressional delegation about submitting commentaries for this issue of *Connection*, presumably few if any U.S. leaders could have foreseen an Iraqi invasion of Kuwait, much less a massive U.S. military buildup in response.

But by late August, 75,000 U.S. soldiers and sailors had been dispatched to the Persian Gulf. Finding a resolution of some sort to the Middle East crisis clearly had become Washington's No. 1 priority.

Our timing nonetheless was fortunate, for lawmakers, it seems, were in an especially visionary mood during the months leading up to the Iraqi invasion. The commentaries in this issue reflect a Congress—and a nation—mentally divvying up a "peace dividend." Granted, with the federal deficit soaring past \$169 billion and the savings and loan fiasco adding to the country's budget problems, the end of the Cold War might not pay hard currency. But the country's vigor would be redeployed.

Spending on domestic programs wouldn't grow significantly, maybe not at all. But intellectual resources would be unleashed to attack the federal budget deficit, clean up the environment, beef up education and aggressively encourage economic development. The great minds and industrial capacity of America—long focused on producing more accurate, more destructive weapons—would now be applied to civilian products.

All this may still happen. Certainly, the events in the Middle East do not diminish New England's or the nation's needs on these fronts. But readers may consider how the priorities set forth on these pages will be influenced by dramatic increases at the gas pump and a military operation estimated to cost well in excess of \$1 billion a month.

Beyond these immediate economic implications lies another question worth bearing in mind: To what degree have military ventures in the past robbed vigor from America's other "wars" against such enemies as poverty and racial injustice?

The distinguished contributors to this issue of *Connection* have indeed offered the vision of an America rechanneling its energies to tackle the closely related and long-neglected problems of poor educational achievement and lagging economic competitiveness.

The events in the Middle East will not lessen their commitment to these causes. A reasonable fear, however, is that vigor works something like money. When much of it is diverted to prepare for a confrontation with foreign armies, less is available to prepare for competition with foreign companies. □

John O. Harney is editor of Connection.

Overheard

New England's economic downturn presents new opportunities and new problems for higher education. The new environment was heavy on the minds of delegates at a recent meeting of the New England Board of Higher Education. A few observations:

"Most people believe deep down that higher education is among the most important institutions we have to ensure an economically and culturally vibrant society. We have to make sure that belief remains strong as the economy fluctuates and, even more fundamentally, as it changes character. A prime task for the years ahead is to articulate an answer to a pressing question: What's the relationship between higher education and an economy that may change as much from the '80s to the '90s as it did from the '70s to the '80s?"

—Robert L. Woodbury
Chancellor
University of Maine System

"What is the shift that is causing the current economic downturn and what does it mean for education working in tandem with business in areas such as trade development and language programs? Secondly, what is New England going to look like when we get through this period? Beyond '91 and '92, where are we headed? Are we going to see a shift as major as the textile industry's demise in New England many years ago? If high tech and defense aren't going to mean as much for the future, then what is it we are going to turn to? How can higher education be a catalyst for economic growth and development, given where it looks like we're going to be in three to five years? And maybe most importantly, given the dramatic turnover that we're seeing in this area at all levels, from governorships on down, what is the leadership that is going to get us out of this? ..."

—Suzanne A. Villanti
Executive Director
Vermont Higher Education
Planning Commission

"When do you trust the rhetoric of the people who you're dealing with in government—all the people who were

making all the speeches about how important education was? The people who used all the buzzwords like knowledge and manpower? When push came to shove to cut the dollars and make a priority list, where was higher education? It was down at the bottom. ... Can we do something to persuade a reluctant public that public colleges and universities are truly academic institutions of value? I don't think a lot of people in this region think of us as academic institutions. They think of us as state agencies. ..."

—David C. Knapp
Ralph Waldo Emerson Professor
University of Massachusetts

"We feel very strongly that there is a climate that goes far beyond indifference to public higher education. It is, at points, openly hostile. The whole sense of the state being in turmoil—real hostility toward higher education, the idea that there's something wrong with public higher education, that we have got to find out what the secrets are in the closet—is very real right now in New Hampshire and, of course, has an impact on morale. It also has an impact on funding. There is still a prevalent feeling that we can continue to have recisions in the middle of the year because *we all have so much money in our budgets*. We are being told informally that there will undoubtedly be a recision in February or March of 1991."

—Judith A. Sturnick
President
Keene State College

"I'm not persuaded that the public is hostile toward higher education or that people believe higher education is not worthwhile. Every donor appeal we run comes in far over the targets the consultants set for us. ... Every appeal we make for popular political support results in hundreds of letters to legislators."

—John T. Casteen, III
Former President
University of Connecticut

"When there's a scandal in athletics in higher education in California or Oklahoma or Ohio or wherever it may be, that reflects on higher education [funding] in New England. You have to think a little bit about who elects the

legislators. They're people who read the sports pages among other things. They don't all read the financial pages. ..."

—Walter Peterson
President
Franklin Pierce College

"Just as the public has some suspicions about public higher education, occasionally professionals at the K-through-12 level have the same kinds of problems with the role of higher education in general. I've worked with many colleges and universities in the Worcester area over the years to try to help in areas of global studies, dropout prevention and so on. There have been exceptions, but almost always when the college or university's grant money has run out, the program in the school has stopped. The public school is then left with a program to run and pay for by itself. ...

"Another problem we see is that some kids in high schools in Massachusetts work 30 and 40 hours a week. Why aren't the employers being taken to task and being told, 'Look, you shouldn't be allowing kids in high school to work that many hours.'?"

—Christopher Dionis
Chairman, Social Studies Department
Burncoat Senior High School
Worcester, Mass.

After School

High-school graduates who bypass college continue to have hard luck in the job market.

Sixty percent of the 2.5 million students who graduated from U.S. high schools in 1989 were enrolled in college by October of that year, according to figures released in the summer by the U.S. Department of Labor's Bureau of Labor Statistics.

But for the 1 million students who joined the labor force upon graduation from high school, jobs were hard to find. Unemployment among men in the group stood at 13 percent. Among women, the jobless rate was nearly 17 percent.

Among the 450,000 youths who dropped out of high school between October 1988 and October 1989, the unemployment rate was a whopping 28 percent.

High School Guide

Given stepped up competition for the best students, admissions officers may find the 2,490-page *College Board Guide to High Schools* worth the heavy lifting. The new guide contains detailed profiles of 13,000 high schools, including information such as: postgraduate plans of graduates, percentage of minority students, advanced-placement courses offered and names of principals and guidance directors. The book also indicates whether the school offers programs coordinated with colleges, businesses or other high schools.

Admissions officers aren't the only ones buying. Says the guide's senior editor Renee Gernand, "Real-estate offices have been calling about it, because people who are moving want to move into areas with good schools." The guide is available at selected bookstores. Price: \$89.95.

Information Pleases

"The Commonwealth requires the education of the people as the safeguard of order and liberty," reads the inscription on the Boston Public Library. In 1984, a small organization took space in the basement of that venerable building and began rewriting that motto along the lines of: "The Commonwealth requires the *higher* education of the people as the safeguard of *cultural understanding* and *economic well-being*."

The organization, the Higher Education Information Center, recently sent supporters a progress report celebrating its first five years—and there is indeed cause for celebration.

In its first year, the center helped about 14,500 students and parents—mostly Boston residents—choose schools and programs, identify sources of financial aid and explore careers. In 1989, Executive Director Ann Coles and staff counselors assisted 91,953 walk-in and telephone clients from across the state. The center's most sought-after services: Helping students and their families seek out financial aid and fill out applications.

The center, a division of The Education Resources Institute, has expanded its services in five years to keep up with new demands. For ex-

Tuition's Steady Rise

Students at some of New England's selective colleges are paying 10 times the tuition their parents would have paid to attend the same institutions in the late 1950s, according to a recent New England Board of Higher Education analysis of regional higher-education trends over the past 30 years.

From 1959 to 1989, tuition and fees at several of New England's high-priced independent colleges increased by more than 1000 percent. The U.S. Consumer Price Index rose 350 percent in the same period.

In 1959, most of the region's independent colleges charged less than \$1,000 in annual tuition and fees, not counting room and board; 30 years later, the majority charged more than \$5,000. At selective New England colleges, tuition and fees generally fell between \$1,000 and \$1,500 in 1959. By 1989, charges at many of these colleges topped \$14,000 (See table).

In 1959, the region's land-grant universities charged between \$150 and \$420 in annual tuition for state residents and between \$475 and \$1,040 for out-of-state students. In 1989, the land grants charged between \$2,000 and \$4,000 for state residents and between \$5,400 and \$12,000 for out-of-state students.

Meanwhile, total enrollment at New England campuses nearly quadrupled in the three decades, rising from 214,000 in 1958 to 805,700 in 1988.

The 30-year analysis is based on a comparison of data reported in NEBHE's *Facts 1990: The Directory of New England Colleges, Universities and Institutes* and the premiere edition of *Facts*, published in 1959. *Facts* each fall reports tuition figures for the current academic year and enrollment figures for the previous year.

The 30-year enrollment increase is attributable to growth in both the number of New England institutions and the size of their classes. Today, the region is home to roughly 260 higher-education institutions, compared with 189 in 1959. Based on a sample, enrollment increases at individual institutions ranged between 40 percent and 240 percent over the three decades.

**30-Year Increases in Tuition and Fees and Enrollment
at New England's 10 Highest-Priced Institutions in 1989***

Institution	Tuition and Fees			Enrollment		
	1959	1989	% Increase	1958	1988	% Increase
Bennington College	\$1,650	\$16,495	900%	330	605	83%
M.I.T.	1,330	16,000	1,103	6,259	9,500	52
Brown University	1,250	14,840	1,087	3,933	7,612	94
Wesleyan University	1,052	14,610	1,289	833	2,750	230
Dartmouth College	1,400	14,445	932	3,111	4,852	56
Tufts University	1,100	14,355	1,205	4,044	8,013	98
Yale University	1,400	14,300	921	7,773	10,861	40
Trinity College	1,150	14,300	1,143	1,448	2,049	42
Bowdoin College	1,098	14,060	1,181	811	1,350	66
Harvard University	1,318	13,545	928	11,151	17,454	57

*excludes colleges not in operation in 1959; enrollment represents total number of part-time and full-time undergraduate and graduate students; fees do not include room and board

ample, identifying educational opportunities for adults is now a key focus. Staff members can translate a financial-aid brochure into French, Khmer, Portuguese, Spanish and Vietnamese. In January, the center will collaborate with the U.S. Department of Labor and private-sector leaders on a conference aimed at easing the tran-

sition between high school and work. And with a Massachusetts constituency developed, the center is considering expanding its programs throughout New England.

One thing hasn't changed: Despite state funding cuts in recent years, there's still no charge for the center's services.

Only a Test?

The criticism is familiar: At best, standardized tests like the SAT are an unnecessary addition to a college-bound student's high-school record. At worst, they are biased against women and minorities and creative people. Tests are on the outs, right?

Not so fast. In recent months, the test-bashers are being rebuffed by commentators who say varying standards at different high schools make pure grades insufficient indicators of student ability, and by the testing services which claim to have made major efforts to clean out the biases.

Now researchers at Dartmouth College say SAT (Scholastic Aptitude Test) scores are indeed valid predictors of student performance, at least at selective colleges.

Dartmouth psychology professor Rogers Elliot and director of institutional research Christopher Strenta compared two groups of students: one with lower high-school grades but high SAT scores (1420 average); the other with stronger high-school grades, but lower SAT scores (1170 average). On average, the students who scored high on the SAT posted a grade-point average (GPA) of 3.17 in their freshman year. Students who scored lower on the SAT posted an average GPA of 3.01 during their first year.

The researchers also found that among Dartmouth students who initially planned to major in natural science or engineering but had SAT math scores of 550 or lower, just 15 percent remained in the sciences by their senior year. Among those with SAT math scores of 750 or higher, 65 percent remained in the sciences by senior year.

Test critics are nonplussed. Robert A. Schaeffer, public education director at Cambridge, Mass.-based FairTest and co-author of *Standing Up to the S.A.T.*, says the Dartmouth study is distorted because it looks only at freshmen. He says high-school records and extracurricular activities tell admissions officers more about whether a student will make it through to graduation and contribute to the institution.

Schaeffer says an important question remains. Are tests worth the \$100 million parents and students pay annually to prepare for them?

Gift for Gifted

The U.S. Department of Education has selected educators at the University of Connecticut to head a \$7.5 million national research project aimed at developing methods to identify and instruct gifted children in elementary and secondary schools.

The Education Department awarded the five-year grant to a four-member consortium of universities headed by the Special Education Center at UConn's School of Education. Other members of the consortium are Yale University and the universities of Georgia and Virginia.

Under the grant, UConn will examine educational programs and policy guidelines for educators and state lawmakers. Yale will develop instructional models.

Researchers say they will pay special attention to identifying and encouraging gifted children who may not be detected using current methods. These include minorities, children from low-income families and children who have limited proficiency in English.

Seeking Higher Office

Several delegates to the New England Board of Higher Education, past and present, are seeking election to new posts.

State Rep. William J. Cibes Jr., co-chairman of the Connecticut Legislature's Finance, Revenue and Bonding Committee and NEBHE vice chairman, is a candidate for governor in his state.

State Sen. Richard Kraus of Massachusetts, Senate chairman of the Legislature's Post Audit and Oversight Committee and NEBHE vice chairman, is running for state treasurer in Massachusetts.

State Sen. Nicholas Paleologos, co-chairman of the Massachusetts Legislature's Joint Education Committee and former NEBHE vice chairman, is seeking the office of lieutenant governor in the Bay State.

State Rep. W. Douglas Scamman Jr., New Hampshire House speaker and NEBHE vice chairman, is running for U.S. Congress in the first N.H. district.

State Sen. Victoria Lederberg of Rhode Island, a NEBHE delegate, is a candidate for mayor of Providence.

Just the Facts

Available from the New England Board of Higher Education

Fall in New England. The air becomes crisp, the Red Sox race for a pennant and people start looking for the facts. That is, **FACTS 1991: The Directory of New England Colleges, Universities and Institutes.**

FACTS 1991 contains listings of New England's more than 260 higher-education institutions, including information on degrees awarded, admissions requirements, tuition, room and board charges and more. **FACTS** also provides special information on financial aid and a comprehensive data section featuring state-by-state and regional analyses of higher-education trends.

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Workforce Needs World View

JOHN C. HOY

Recent events in the Middle East vividly demonstrate the fragile interrelatedness of the new global economy in which New England operates.

The Iraqi takeover of Kuwait—and subsequent United Nations trade embargo against Iraq—immediately rocked the oil-poor countries of the developing world and sent shock waves through financial markets from Tokyo to New York.

The crisis also confirmed what many New England managers, teachers, scientists and others have been saying for a long time: What happens in a place like Baghdad directly affects people in places like Bangor or Bridgeport.

New England motorists are paying a higher price to crawl through Boston and Hartford rush hours. Some officials in the region warn that the crisis could set back the emerging biotechnology industry, reasoning that the artificial environments needed for the biotech "brewing" process require too much energy.

The ripple effects of this crisis have increased the realization among Americans that events halfway around the globe will influence the success of local enterprises and initiatives—and conversely, local actions will help shape the world economy.

Underprepared professionals

Unfortunately, other world events like the planned unification of the European Community, the U.S.-Canada Free Trade Agreement and an emerging special trade relationship between the United States and Mexico have aroused much less interest in America. While our soldiers are armed with the latest in weaponry to deal with forces from Baghdad, our managers and professionals are underprepared to deal with bankers and engineers from Budapest or Tokyo.

One recent study sponsored by the U.S. Department of Education indicates that between 20 percent and 50 percent of American professionals sent overseas on business return home before their assignment is completed. These Americans often leave their host country prematurely because they encounter a combination of problems that might be labeled "culture shock."

The same study notes that leaders of companies likely to be engaged in world trade do not perceive a strong need for cultural knowledge among managers and professionals doing international work—and few provide foreign-language training for such workers.

The study focused on Michigan companies, but the aloof approach it reveals appears to be common from

coast to coast. New England—with its knowledge-intensive economy—cannot afford this approach. Today, New England businesses need to know not just how a new concept plays in Peoria, but how it plays in Prague or Panama City.

The New England Board of Higher Education and others have succeeded to this point in clarifying the links between international knowledge and global economic competitiveness. Several institutions throughout New England have strengthened the international component of the campus experience. But broad, coordinated international-education efforts have been slow to emerge.

First in international knowledge?

With much fanfare, the National Governors' Association and the Bush administration have wisely adopted the goal of making the United States first in the world in science and math achievement by the year 2000.

In this season of education goal-setting, New England should strive to become first in international knowledge. With global markets growing faster than domestic markets, this distinction would have a significant impact on the region's business climate and overall economy. Savvy business-location officials of the 1990s and beyond will not look askance at a region where understanding of world history, world economics and foreign culture is as standard as a firm grounding in reading, writing and arithmetic.

As in the case of the nation's science and math ambitions, *setting* the goal is less than half the battle. But New England's goal in international education is attainable if leaders of business, government and education work together to reach it. For starters, this collaborative effort should focus on bolstering international perspectives in the schools; expanding support for overseas study and internship programs; and tailoring international courses to the needs of executives and other active workers.

The global economy is here. New England now faces a critical choice. Will we allow cultural myopia to weaken our competitive position? Or will we make an investment of time and resources now to ensure that the next generation of New England leaders will be highly educated men and women who possess competence, perspective, humane values, political courage—and cross-cultural understanding? □

John C. Hoy is president of NEBHE and publisher of Connection.

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AN AGENDA FOR THE 1990s

THE VIEW FROM NEW ENGLAND'S
CONGRESSIONAL DELEGATION

JOHN O. HARNEY

P ERHAPS NO INSTITUTION TAKES MORE GRIEF THESE DAYS THAN the U.S. Congress. The chant: too much time spent on commemorative resolutions a la National Ice Cream Day; too little progress on weightier issues like the federal budget deficit; ethical scandals; too many committees.

Yet even while fewer than half of all Americans vote in congressional elections, and, according to some polls, as few as 15 percent express a "great deal" of confidence in Congress, what happens on Capitol Hill remains critical—especially to New England, with its heavy reliance on federal defense and research funding. And especially to the region's educators and students; the federal government provides 75 percent of student financial aid and spends billions of dollars each year to support education at all levels.

As *Connection* went to press, lawmakers were preparing to leave their districts for a capital consumed by international crisis (See Editor's Memo, p.6.) The members were also headed for heaps of unfinished business begun during the usual pre-August recess frenzy of legislative activity. Before the crisis in the Middle East at least, education was high on the agenda.

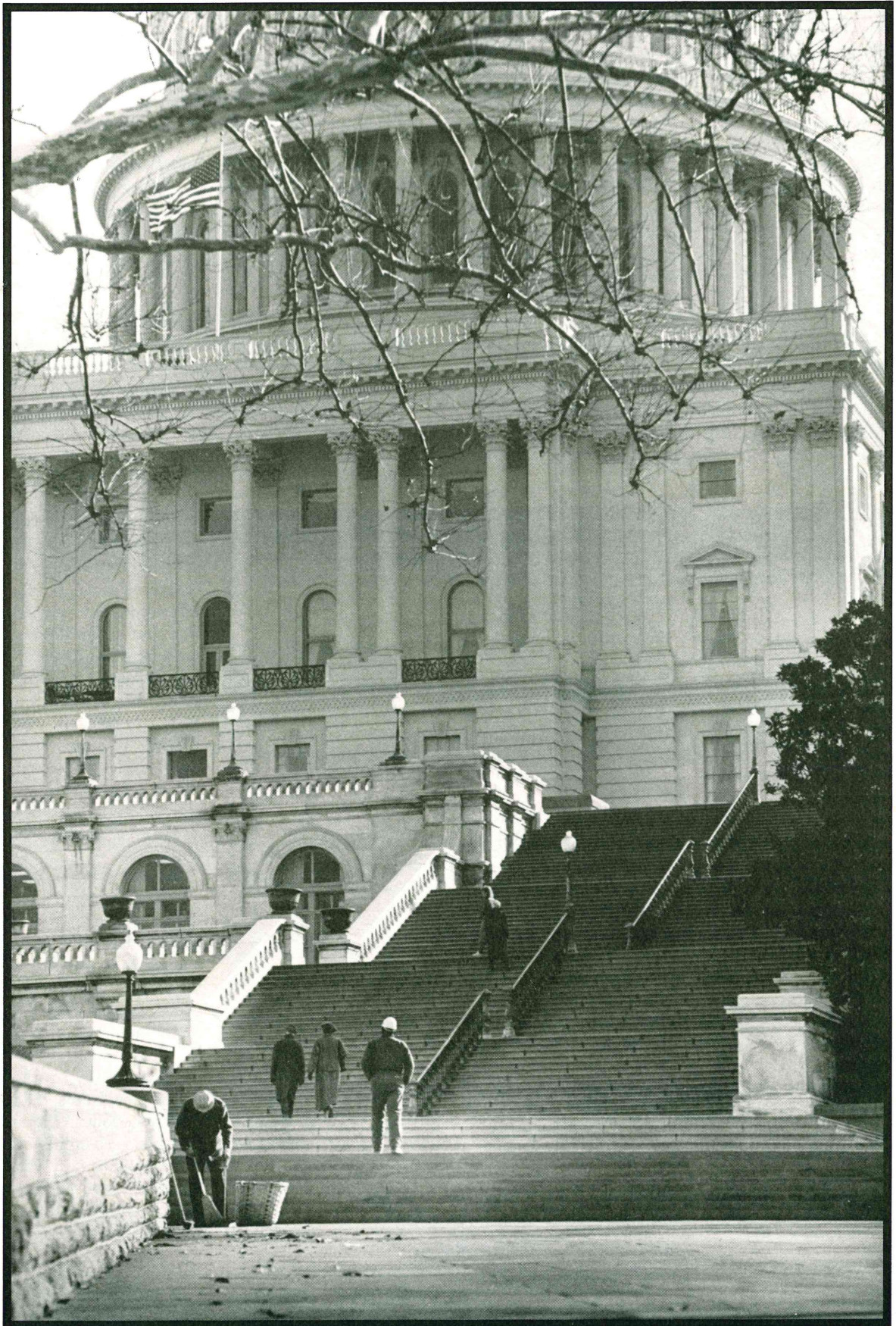
The House approved \$26 billion in education spending for fiscal 1991, which begins in October. But with the nation's budget problems worsening and no overall budget agreement between the president and Congress, observers immediately voiced doubts that the nearly \$2 billion increase over current education funding would survive the budget process intact.

The House also passed the sweeping Equity and Excellence in Education Act of 1990. The

bill outlines policies aimed at achieving national education goals adopted in February by the president and the National Governors' Association. Besides addressing the agreed-upon goals of reducing dropout rates and ensuring drug-free schools, literacy and excellence in math and science, the House tacked on loan-forgiveness programs and other incentives to encourage students to enter the teaching profession, as well as a provision calling for equal access to higher education for all citizens. Again, securing funding for the initiatives is anything but certain. The House bill would cost about \$1 billion in new spending, compared with the president's proposed \$400 million.

House and Senate conferees authorized \$1.6 billion in federal funding of vocational-education programs for 1991—a 71-percent increase over current funding for the programs.

**HALLS
OF POWER:**
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levels.*



Besides upping the federal fiscal commitment to voc-ed, the authorization reflects new attitudes on Capitol Hill. For example, lawmakers determined that sources of voc-ed funding are abundant enough that scarce federal dollars should be geared specifically toward improving programs for disadvantaged students. Congress also mandated that federal money go only to programs that integrate vocational and academic skills and prepare students for existing jobs.

While the new philosophies are likely to stick, the hefty funding increase probably won't. "It was a tremendous vote of confidence by the authorizing committees," says Dale Hudelson, editor of *Vocational Education Weekly*, a newsletter for voc-ed professionals. "But the [fiscal 1991] budget plan is almost certain to include some major cuts in domestic programs ... it may be a lot more grim than we think."

In the area of graduate fellowships, the federal commitment has plummeted over the past two decades, and fiscal 1991 won't be much different. The House, with support from the Bush administration, would increase funding of assistantships in areas of national need—chemistry, physics, mathematics and engineering—by nearly \$10 million. But funds for most other fellowship programs would rise only slightly or not at all.

Says Thomas Linney, director of government relations at the Council of Graduate Schools, "I feel a little cynical about a Congress that wants to make lofty speeches about increases in authorized levels of spending, and at the same time, cut below last year's levels of appropriations and not move to resolve the more serious budget and taxation questions that need to get resolved on more than a crisis-to-crisis, month-by-month basis."

The unpredictability of federal research funding is a major problem for graduate schools, Linney says. "If there's going to be an increase in a [research] program, campuses need to know at least a year in advance so they can go out and recruit people and make the applications. The so-called pipeline is not so easily turned on and off on campus as it is in Washington."

Meanwhile, funding to improve the nation's aging research facilities is likely to remain restricted to individual specialized appropriations—a mishmash rather than a coordinated national policy to upgrade facilities, according to Linney. "That system requires [institutions] to have some special influence with their member of Congress or state delegation," he says. "The academic community would prefer to see those things distributed through an open competition and peer review," he says.

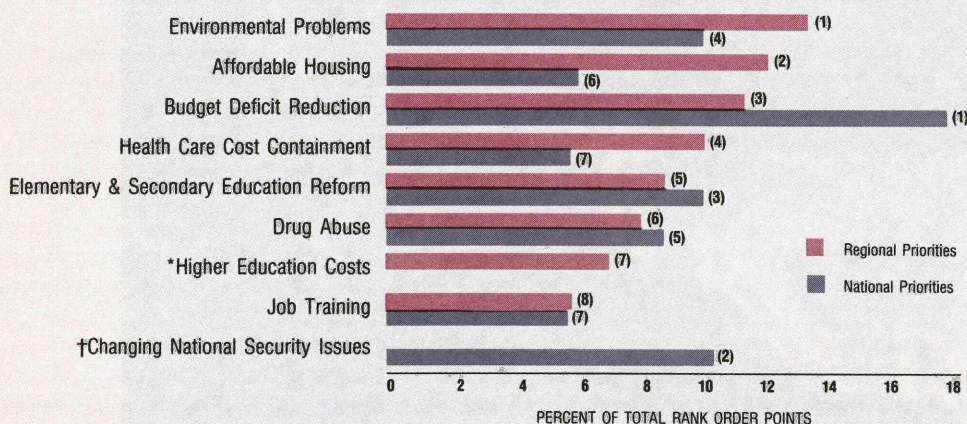
Next year, the stakes will be even higher for colleges and universities, as Congress considers reauthorization of the Higher Education Act, the 1965 legislation that created today's federal need-based student-aid programs and federally guaranteed bank loans. The landmark legislation also authorized the special "TRIO" programs for disadvantaged students, as well as a variety of programs to support colleges and universities, encourage continuing education and train teachers.

Thanks to the near-collapse of a Kansas-based student-loan guarantor this summer, concerns about the stability of the nation's student-loan program may dominate the reauthorization. Still, some Capitol Hill sources say many members of Congress will see the deliberations as an opportunity not only to redefine student-aid programs, but to address new questions: Why are college costs rising so rapidly? Are admissions policies fair? What should be done about institutions with poor graduation rates? Are colleges adequately preparing new teachers?

With so much riding on Capitol Hill, the New England Board of Higher Education asked the 36 members of New England's congressional delegation to complete a survey ranking 24 national and

New England Congressional Delegation's Policy Priorities for the 1990s

(Ranking of Top 8 of 22 Issues for Region and Nation)

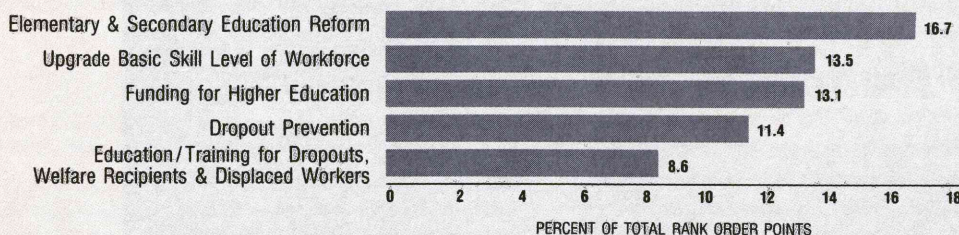


* Ranked 10th in the question of national priorities.

† Not an option in question on regional priorities.

...And Education Priorities for the 1990s

(Ranking of Top 5 of 16 Issues)



regional issues in order of priority. NEBHE also asked the members to contribute commentaries on topics related to education and economic development for publication in *Connection*. These commentaries begin on p. 17.

Priorities

The New England delegation considers reducing the federal budget deficit to be the No. 1 priority for the nation, according to the survey.

Members ranked "budget deficit reduction at the state level" fourth among the most important issues facing the region in the 1990s.

The No. 1 priority for the region, according to members, is addressing "environmental problems." The delegation ranked environmental issues fourth among national priorities.

The delegation emphasized several issues that bear a heavy impact on the region's economic foundation, as well as quality of life for New Englanders. For example, members ranked "affordable housing" second among regional priorities and sixth among national priorities. With rising health-care costs continuing to hurt New England small businesses, respondents ranked "health care cost containment" fourth among regional priorities and seventh among national priorities (See Chart 1).

Provision of a well-educated workforce continues to be hampered, because little progress has been made in improving public schools. The respondents ranked "elementary and secondary education reform" fifth among regional priorities and third nationally. Several members indicated the K-12 issue will grow in importance. "For the six states, these lean times will force a rethinking of fiscal and programmatic priorities. It is hoped that education will emerge as New England's No. 1 priority," noted Sen. John H. Chafee of Rhode Island.

Asked to focus specifically on education issues, the delegation ranked "elementary and secondary education reform" as the top priority, followed by "upgrading the basic skill level of the workforce" and "funding for higher education" (See Chart 2).

Exactly half of the delegation's members responded to the survey.

Interestingly, the survey results bear a striking resemblance to NEBHE's 1987 *Future of New England Survey*, though the order of priorities has changed.

In the earlier survey, New England business, government and higher-education leaders pointed to inadequate public schools and a lack of affordable housing as problems that could hamper regional economic expansion.

New England clout

Expect the New England delegation's priorities to have a major impact on the national agenda. This is not just any group. "New England has a rich tradition of having a very vocal and forceful delegation, either working cooperatively or because you have a superstar or two among the group," says Nicholas P. Koskores, president of the New England Council, the region's largest business lobby which focuses on Washington.

There are setbacks now and again. Two of those "superstars"—House Speaker Thomas P. O'Neill Jr. and senior House member Edward Boland, both of Massachusetts—retired with the last Congress.

Massachusetts will lose a House seat in the next Congress due to shifts in the U.S. population. And just as defense spend-

THE VIEW FROM THE SCHOOLS

THE NATIONAL EDUCATION ASSOCIATION (NEA), which represents employees of all levels of education, ranks members of the U.S. Congress based on their votes on relevant pieces of legislation. The following are NEA rankings of members of the New England delegation. House members' rankings are based on 10 key roll call votes from Jan. 3, 1989 through June 21, 1990. Senators' rankings are based on five key votes from May 3, 1989 through Oct. 19, 1989. A score of 100 means the member supported the NEA position on all of the education-related bills considered:

CONNECTICUT

Gejdenson, Sam (D)	100	Shays, Christopher (R)	90
Kennelly, Barbara B. (D)	90	Johnson, Nancy L. (R)	70
Morrison, Bruce A. (D)	90	Rowland, John G. (R)	60
Dodd, Christopher J. (D)	80		
Lieberman, Joseph I. (D)	60		

MAINE

Brennan, Joseph E. (D)	100	Snowe, Olympia J. (R)	60
Cohen, William S. (R)	60		
Mitchell, George J. (D)	60		

MASSACHUSETTS

Mavroules, Nicholas (D)	100	Frank, Barney (D)	80
Atkins, Chester G. (D)	90	Markey, Edward J. (D)	80
Kennedy, Joseph P. II (D)	90	Moakley, Joe (D)	80
Studds, Gerry E. (D)	90	Neal, Richard E. (D)	75
Conte, Silvio O. (R)	80	Donnelly, Brian J. (D)	60
Early, Joseph D. (D)	80		
Kennedy, Edward M. (D)	60		
Kerry, John (D)	60		

NEW HAMPSHIRE

Douglas, Charles (R)	20	Smith, Robert C. (R)	20
Rudman, Warren B. (R)	40		
Humphrey, Gordon J. (R)	0		

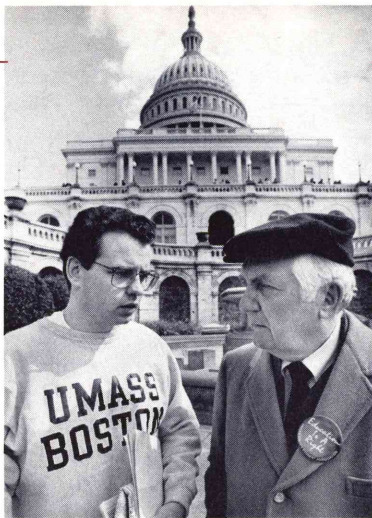
RHODE ISLAND

Schneider, Claudine (R)	90	Machtley, Ronald K. (R)	80
Pell, Claiborne (D)	100		
Chafee, John H. (R)	60		

VERMONT

Smith, Peter (R)	90
Jeffords, James M. (R)	100
Leahy, Patrick J. (D)	80

ing policies reach a critical point, New England is losing representation on the House Armed Services Committee. Committee members John G. Rowland of Connecticut and Joseph E. Brennan of Maine are running for governor of their



**CONSTITUENCY
WITH A CAUSE:**
*U.S. Rep. Silvio
Conte of
Massachusetts
hears from
University of
Massachusetts-
Boston Student
Senator John
Gately during a
Washington rally
for education
funding.*

states, and New Hampshire Rep. Robert C. Smith, also a committee member, is running for Senate. That means only two New Englanders—Nicholas Mavroules of Massachusetts and Ronald K. Machtley of Rhode Island—will remain on the 54-member committee. Sen. Warren B. Rudman of New Hampshire, meanwhile, is the only New Englander serving on the defense appropriations subcommittees of either house.

Still, New England's traditional clout on Capitol Hill is likely to remain, based on new and veteran superstars, and New Englanders' seniority on some of the nearly 50 congressional committees that craft legislation. The Senate majority leader is George J. Mitchell of Maine.

"By and large, the delegation has recouped its power," says Koskores. "Joe Moakley is cut from the same cloth as Tip O'Neill, and as chairman of the House Rules Committee, the

most influential committee on the House side, he is the gatekeeper. Nothing gets to the floor without the rules committee having a say."

"We've also picked up an additional seat on the House Ways and Means Committee with Nancy Johnson of Connecticut. And of course, we have the Senate majority leader," says Koskores.

Influence will be needed. According to the NEBHE survey, members are confident that the federal government will provide assistance to the New England states in the areas of education, environment, health care and affordable housing.

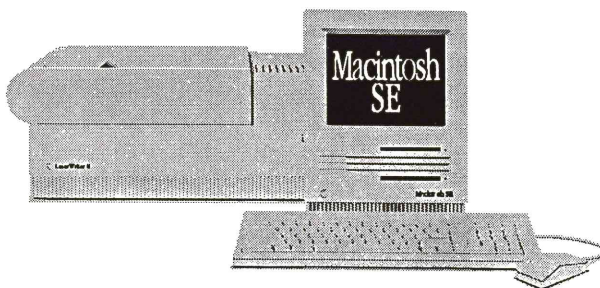
But money is tight. In July, the Bush administration raised its estimate of next fiscal year's federal deficit to \$169 billion. To head off mid-October automatic cuts under the Gramm-Rudman-Hollings deficit reduction law, Congress and the administration would have to agree on major cuts and revenue increases. New England's higher-education community will be watching closely. One strategy that has been discussed would eliminate loans for 1.2 million students and reduce loans for an additional 2.2 million. Another would further limit tax deductions for charitable contributions. That would reduce private support for colleges and universities at a time when the institutions need it most.

A recent publication of the American Council on Education noted that college presidents have extraordinary access to members of Congress. This year and next, they will need it. □

John O. Harney is editor of Connection. NEBHE's survey of New England's congressional delegation was designed and analyzed by Judith A. Beachler, NEBHE director of research services.

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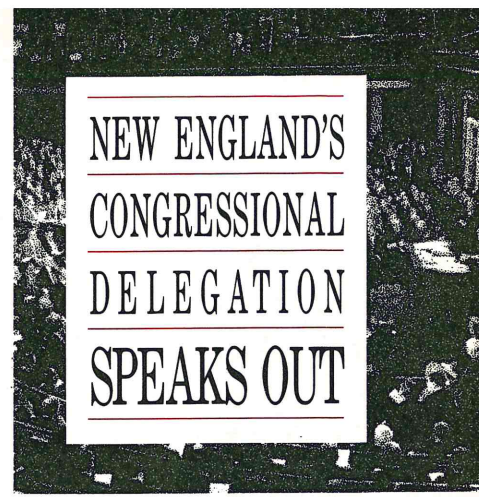
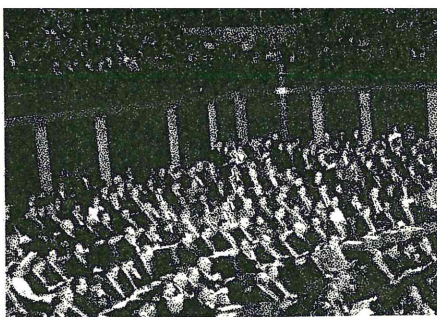
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NEW ENGLAND'S CONGRESSIONAL DELEGATION SPEAKS OUT

GEORGE J. MITCHELL

A Contentious Time for Educators

Every generation of Americans has looked upon education as the key to progress and upward mobility for its children. Schools and colleges in our country, therefore, carry a burden unlike that faced in most other nations.

Reports since the early years of the last decade have chronicled the shortcomings in educational quality nationally. Some of those shortcomings reflect the difficulty of the national goal we have set ourselves: to give every child, regardless of background, the same basic education that was once reserved for the elite few.

Doing that is a goal worthy of a democratic society. But it is not clear that society has yet accepted the fact that it is a costly goal and one that demands long-range perseverance. Indeed, the fact that we have not yet achieved the goal is being cited by some as a reason to abandon it.

So educators face a difficult and contentious time. First, they must demonstrate to the skeptics that the American educational system, in fact, can educate all our children up to the standards we set for ourselves.

Second, they must face fairly the fact that there will be competing claims on the federal resources available for education. Parents who choose private schools and demographically older communities may balk at paying the higher taxes needed to sustain a good school system when their children are not using it.

Colleges and universities will have to recognize that the ability of parents to meet rising tuition costs is not limitless.

More skills needed

Reports now being considered by federal policymakers indicate that there will be an increasingly wide mismatch between the skills of workers needed in this decade and beyond and the graduates of our educational system.

Two-thirds of all colleges are forced to provide remedial reading and writing courses for incoming freshmen, and more than half of our high schoolers do not even go on to postsecondary education. This, while we face a period in which the majority of new jobs will require postsec-

dary educational competencies.

The "Workforce 2000" report from the Hudson Institute predicts that those with only a high-school diploma will find that fewer than one-eighth of the job openings at the end of the century are open to them.

Educators may see these trends as confirmation that their institutions and resources will grow in importance and influence in the coming decade. But it is also possible that the changed nature of our workforce will lead to different responses by industry and government, as the pressure to impart skills intensifies.

Swift change

In the postwar era of the GI Bill, the United States enjoyed an economic dominance that bought us time for the demobilized members of the armed services to complete four years of college. Today, economic change is far swifter.

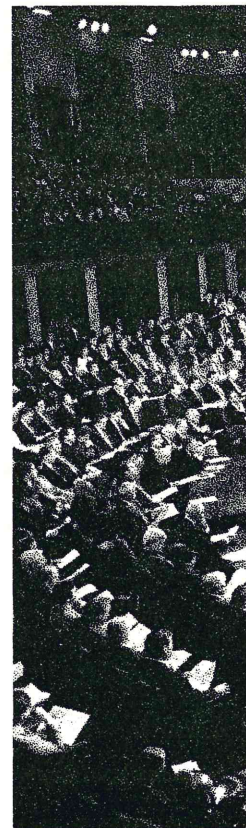
The history of one high-tech field illustrates that. In 1959, Americans invented the semiconductor. For two decades, the 1960s and 1970s, we developed the market, manufactured the product and dominated world trade in semiconductors. Yet

by 1986, Japan—with just six years of intensive work—was selling 65 percent of semiconductors worldwide. The trend has continued. The United States now accounts for just 8 percent of semiconductor production and sales worldwide.

Today, change in the products and services we sell is faster and less forgiving. Educational programs that neglect to teach students how to learn will lock them into potentially unproductive



Colleges and universities will have to recognize that the ability of parents to meet rising tuition costs is not limitless.





SEN. GEORGE J. MITCHELL

Educational programs
that neglect to teach
students how to learn
will lock them into
potentially
unproductive career
fields ...

career fields at a time when workers may have to follow more than one career path in a working lifetime.

Different working and learning programs will have to be developed. Today's colleges are enrolling more adult students, evening students and other nontraditional students. The nontraditional student who combines work with study may well become the traditional student of the future.

Meanwhile, the fact that we will increasingly be competing against the people of other nations for markets in still other nations will demand a vastly broader understanding of the larger world—its geography, its history, its commerce and its languages.

Educators will also have to learn more and know more about the industrial and commercial world in which their students will make their way. The 18th-century heritage of education as a remote, somewhat aristocratic preoccupation is not appropriate for a democracy; it serves neither our people nor our colleges well.

We enjoy an immense competitive advantage worldwide because the English language and American standards and research remain dominant in the emerging industries of the future. The makers of Japanese or Taiwanese components for computers must work in a field where basic software design is dominated by the United States.

In fields ranging from aerospace to biotechnology to medical technology and entertainment, American products and standards dominate. We take that dominance for granted. But we cannot afford to lose it. Industry and education both must recognize that preserving our lead will demand an investment of time, imagination and resources.

For example, we face a shortage of engineering graduates. At the same time, more than 1,500 engineering faculty vacancies exist in U.S. col-

leges and universities. The National Science Foundation has reported that some 60,000 secondary teachers of math and science are not fully qualified to teach those subjects.

We will need 2 million new teachers by the year 2000. We will also face a critical shortage of mathematicians, scientists, engineers and technologists by the year 2000. There are no shortcuts in the training of these disciplines.

We should be developing ways to meet these shortfalls.

Three-quarters of our nation's workforce in the year 2000 will be persons already in the workforce today. But 20 million to 30 million of American adults lack basic skills. New workforce entrants at the decade's end will be dominated by minorities, immigrants and women. Past experience indicates that overall, members of these groups may need skills training.

The belated recognition that early-childhood enrichment and development raise education and skill levels is a welcome development. But it will not help the employers of the year 2000 very much. A child beginning school this fall will not have completed high school by the year 2000.

The question for educators is whether the way to meet these challenges is by doing more of the same—but doing it more effectively for more students—or whether the changes are so profound that we must restructure our education system to meet them.

Despite much debate, that question has not been definitively answered as yet. Crafting an answer is the central challenge our education community faces today. Unless we want to have the answer by default—by choosing to make no choices. □

George J. Mitchell of Maine is the U.S. Senate majority leader.

CHESTER G. ATKINS

Ending the Student Loan Scam

This past spring, like others in Washington, meant cherry blossoms on the mall and wistful discussions about the return of major league baseball to the District of Columbia. It also meant the re-emergence of lobbyists and special-interest groups from winter's hibernation.

The president's new budget is dissected, the budget committee begins to set broad brush-stroke priorities for Congress, and the appropriations committee wrestles with every line item of every federal agency. Through it all, more lobbyists and more special-interest groups parade before members of Congress.

This past spring, one of those "special interests" came to my office. They were Massachusetts college students from public and private institutions. They came to Washington to tell me

that they could no longer afford college. Once again, the president's budget shortchanged Pell Grants and College Work-Study funds. State Student Incentive Grants were zeroed out. In 1980,

In 1980,
the maximum Pell
Grant covered
41 percent of
the average cost
of attending college;
today it covers
26 percent.

the maximum Pell Grant covered 41 percent of the average cost of attending college; today it covers 26 percent.

Stafford Student Loans, the "Education President's" answer to higher education, also fell well short of inflation. The students wanted more funds for education, but mostly they wanted to know how they could finish college under the financial constraints they were experiencing. What these students did not know was that they had entered a pitched battle against greedy, oftentimes fraudulent professional schools. The battle is not only for scarce federal resources but for the survival of the student-loan program.

In another office, interests for the nation's proprietary schools were lobbying the Education and Labor Committee on the reauthorization of the Higher Education Act. They were concerned with one issue—student loans. While thousands of students struggle each year to find the resources to attend college, proprietary schools have abused the Stafford Loan (formerly the Guaranteed Student Loan) and Supplemental Loans for Students (SLS) programs to the tune of billions of dollars in defaulted loans. Tragically, these loan abuses have compromised the integrity of the student-loan programs and have threatened funding levels for Stafford Loans and SLSs for needy students at legitimate institutions of higher education.

Last year, defaulted student loans cost the federal government roughly \$2 billion. To put that figure in perspective, federal default payments now account for more than one-half of the total federal costs for the Stafford Loan program. A disproportionate share of the defaults belong to students attending professional, proprietary schools. The average default rate for all schools was 13 percent. For proprietary schools, the figure was 29 percent. In 1987, the latest year for which the Department of Education has defaults broken down into cohorts, proprietary schools accounted for 55 percent of all defaulted loans.

The majority of the nation's proprietary schools are reputable institutions that serve an important clientele. Many students who attend these institutions are from low-income families and are at high risk both to drop out and default on loans. But while many of these professional schools have acted responsibly, a sizable and expensive minority of these schools have enticed students with bogus promises of meaningful certificates and lucrative employment opportunities. What the students get is a cookie-cutter education, a worthless certificate and a large debt burden. What the federal government ultimately gets is the bill. Consider the Cambridge Technical Institute in Dayton, Ohio: Of 4,820 student borrowers, 3,928 defaulted on loans totaling \$8.3 million.

For the past 10 years, several hundred proprietary schools have counted on fooling a bloated federal bureaucracy. Schools that lose accreditation or have exceedingly high default rates



REP. CHESTER G. ATKINS

Freshmen, the most
likely early dropouts
and defaulters,
should receive
their first-semester
loans in installments
to guard against
huge debt burdens.

simply change their names and continue operating.

Last year, the House of Representatives caught up with many of these abuses and included important reforms in the Omnibus Reconciliation Act. Supplemental Loans for Students are no longer available to students who attend schools with default rates above 30 percent. All SLS borrowers must have either a high-school diploma or an equivalency certificate to qualify for funds. Finally, SLS loans to freshmen are not disbursed until 30 days into the first semester, and only if the student is still in school.

Congress must go further to restore the integrity of the student-loan programs and to restore the integrity of the majority of the proprietary schools that are serving their clients well. These provisions must be expanded to include the Stafford Loan program. Almost 70 percent of the students receiving both SLS and Stafford Loans in 1989 were freshmen, and nine out of 10 of those freshmen attended proprietary schools.

In addition, no student loan of any kind should go to a school with a default rate above 30 percent, and that should be phased down to 20 percent over a period of several years. All schools with high default rates should submit plans to the Department of Education on methods to reduce student-loan defaults. Only students with a high-school diploma or GED (General Educational Development) diploma should be eligible for loans. Freshmen, the most likely early dropouts and defaulters, should receive their first-semester loans in installments to guard against huge debt burdens.

For the past 10 years, the Reagan and Bush budgets have devastated higher-education programs. Now these programs are being devastated from within by greedy institutions that care nothing for their student clients. It is up to the people who care about higher education—college and university presidents, administrators of reputable proprietary schools, professors and students—to come together in support of addressing loan abuses.

Make no mistake about it: For students and institutions of higher learning, continued abuse by a sizable minority of professional schools jeopardizes our entire postsecondary-education system. The federal government cannot afford to subsidize greedy schools-for-profit. Most importantly, students cannot afford to see their opportunity for educational advancement disappear in a quagmire of corruption.

As the appropriating and authorizing committees of Congress draft legislation aimed at the student-loan programs, the challenge for all of us is to return the programs to firm financial footing and to create the educational opportunities that student loans were meant to bring. □

Chester G. Atkins is a U.S. representative from Massachusetts.

JOHN H. CHAFEE

Eliminating the Education Deficit

We are privileged to be living in one of the most fascinating times in modern history. The winds of change are sweeping through the world. Events in Eastern Europe are occurring almost faster than we can read about them. With this change come tremendous opportunities and stiff challenges.

This is a time of new markets and intense competition. In the words of one Fortune 500 chief executive officer, "The pace of change in the nineties will make the eighties look like a picnic. Competition will be relentless. The bar of excellence in everything we do will be raised every day."

It is difficult to anticipate the full impact world events will have on the future of the United States. But I believe the one asset we must have to guide us successfully and prosperously through this dynamic time is economic strength.

You've heard the statistics of the past few years: month after month of economic expansion; 20 million jobs created since 1982—2.5 million during last year alone; unemployment remaining near a 15-year low; and interest rates and inflation under control.

However, there is a storm on the horizon—the federal budget deficit. It prevents us from meeting our challenges head-on. Until it is brought under control, it will be increasingly difficult to invest federal funds to address our most troubling problems such as increasing our international competitiveness; improving education; ensuring access to affordable health care; child care; and the list goes on.

Human capital

We have instituted measures to reduce the deficit, such as the Gramm-Rudman-Hollings Act. But we face many other challenges in Congress and in the business community. For example, at a time when American business faces its toughest challenges, the basic skills of our workforce are eroding at an alarming rate. Over one-half of the jobs in our economy will soon require education beyond high school. Yet the annual national dropout rate for public high-school students in the United States is 15 percent. That is, 1,815,000 of the more than 12.1 million students enrolled in public high schools will drop out between the time they enroll in ninth grade and the completion of their senior year. The learning deficit is reaching shocking proportions.

Poorly trained workers cost American businesses an estimated \$25 billion each year. That figure does not include the cost of training programs in larger companies to provide basic math and reading skills.

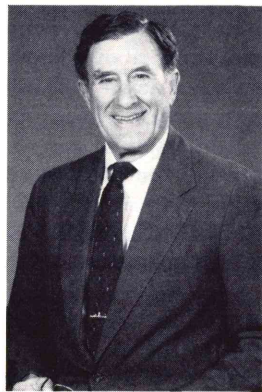
The needs of our nation's educators have attracted the attention of virtually every elected official in America. Existing programs are being measured, new yardsticks are being developed, and tougher demands are being placed on educators and the educated. Government, education and business are finally discarding their historical antagonisms and aggressively seeking solutions.

The answers to this problem are much more fundamental than spending more money. Each of us must become more personally involved in the solution. In a recent speech, Secretary of Labor Elizabeth Dole presented a challenge to business: Involve 10 percent of your workforce in mentoring programs with at-risk youth. Soon, she will provide a "mentoring clearinghouse" for companies interested in investing in our nation's children — our future workforce. By acting as a role-model and counselor to a young child, you can do more for an

individual than all of the tax deductions and education spending combined. I urge all New Englanders to step forward and consider a small investment of time in this worthwhile endeavor.

We must continue to recognize the importance of investing our intellectual and financial resources in our educational systems. It is an obligation none of us dare shirk, for we will be required to compete on a new, larger playing field. Our ability to successfully compete in the international arena will hinge on our ability to harness the tremendous intellectual capacity of America. It is not a daunting challenge, but an opportunity for our nation to reassert its dominance in the most powerful weapon system known to man: brainpower. □

John H. Chafee is a U.S. senator from Rhode Island.



SEN. JOHN H. CHAFEE

By acting as a role-model and counselor to a young child, you can do more for an individual than all of the tax deductions and education spending combined.



Poorly trained workers cost American businesses an estimated \$25 billion each year.

CHRISTOPHER J. DODD

New England's No. 1 Priority: Educating Workers

New England is uniquely endowed with the resources and infrastructure needed to weather current economic challenges and prepare for the increasingly competitive global economy of the next decade. New England's concentration of highly skilled, educated workers, academic facilities and high-technology industries far surpasses that of any other region in the country. Whether the region will make the most of its resources, however, remains to be seen.

All sectors of the New England economy are, and will continue to be, challenged to solve budgetary problems, create new jobs in the non-defense sector and generate economic growth. Unfortunately, our economy has already begun to soften. If we are to prevent further erosion of the economy, we must act now to better use the region's resources.

Progressive and innovative thinking is required for the region to meet these present and future challenges. New England cannot afford to leave a stone unturned, an idea untested or a citizen uneducated if the region hopes to maintain a strong and competitive economy.

We can learn from the extraordinary events of the last year in Eastern Europe. Progressive thinking enabled the people of Poland, East Germany, Hungary, Romania and Czechoslovakia to open the doors of democracy, elect new governments and pursue dramatic economic changes. If citizens raised in societies that did not encourage innovative thinking or change can orchestrate such dramatic change, think of our own capabilities.

No one sector can be expected to provide the answers, ideas and resources that will ensure an economically sound and expansive region. The challenges facing New England, including tighter credit for real-estate development and business growth, cuts in defense-procurement dollars and unbalanced state and local budgets, will require the public and private sectors to work together.

Training workers

The public and private sectors must join forces to tackle what I consider to be the region's No. 1 priority: the education and training of both new and seasoned workers. New England can least afford to waste its greatest resource—human capital. A region that is highly dependent on service-sector jobs would commit economic suicide if it did not fully tap the human potential of its young people and active workforce.

For workers who fall victim to budget cutbacks and lost defense dollars, retraining programs and educational opportunities must be developed and expanded. Programs are needed to capitalize on these workers' years of experience and provide them with access to new careers. Such services can be provided to older workers by high schools,

colleges and universities, job-training programs and private industries alike.

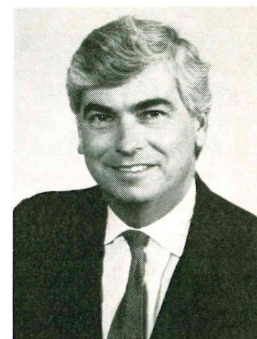
Some federal and state money is available to develop the needed programs, but it won't be enough. Private and public entities will need to form partnerships to provide services that will meet the needs of our workers. Businesses will need to work with training programs to ensure that the taught skills will translate into jobs. Institutions of higher education will need to work with training programs to share resources and expertise.

With more than 20 percent of students dropping out of high school, our region faces the formidable task of making education attractive to our youth. If we fail to provide incentives for young people to remain in school, if we fail to educate the next generation of workers, we will have no one but ourselves to blame for our region's economic woes.

Public and private efforts must not stop at encouraging youth to stay in high school. Opportunities for higher education must be made available to students of all economic backgrounds. The federal government must continue to be committed to providing Pell Grants and Stafford Loans to eligible students.

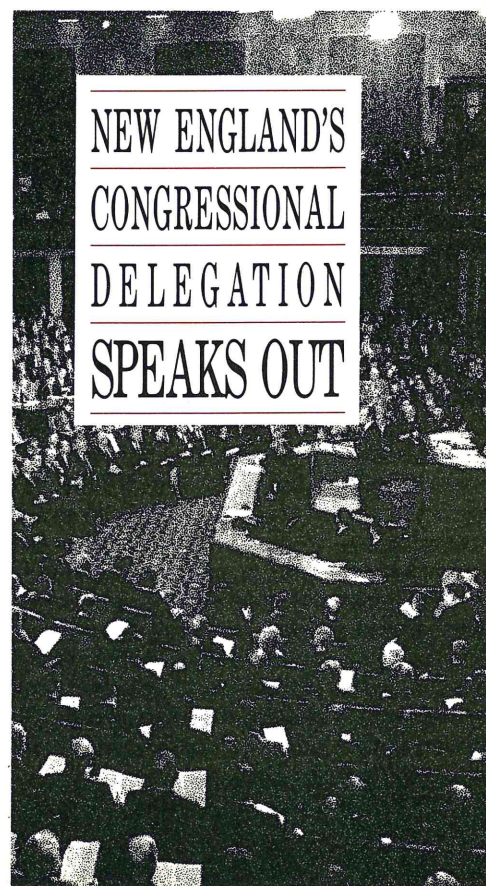
Similarly, states and public and independent colleges and universities must continue to make grants, scholarships and loans available to eligible students.

Private businesses can participate in the educational process by providing incen-



SEN. CHRISTOPHER J. DODD

Institutions
of higher education
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All sectors must be willing to dissolve traditional barriers and work together to set goals and fully use New England's resources.

tives for young people to remain in school. Through successful partnerships in New Haven and Bridgeport, Conn., businesses are providing internship opportunities and summer jobs to students who are committed to earning high-school diplomas. Businesses could also donate or share modern equipment with schools to be used in providing computer training or exposure to other high-technology skills.

In addition to partnerships for education, we need partnerships for job creation and economic growth. The caliber of academic and industrial research in New England is the world's finest. More researchers at area universities should develop working relationships with businesses and state economic advisers to discuss and facilitate the evolution of research through all stages of development.

The possibilities are endless and all very workable if New England—long an industrial, scientific, academic and financial innovator—can keep its innovative tradition alive. For the region to be competitive in this decade and into the 21st century, all sectors must be willing to dissolve traditional barriers and work together to set goals and fully use New England's resources. Our workers must retain their edge in skills and educational achievement. Our businesses must continue to explore new products and new markets. And our governments, with their ears to the public and their eyes on the future, must make sound economic and fiscal decisions. □

Christopher J. Dodd is a U.S. senator from Connecticut.

BARNEY FRANK

A New Threat Looms

Which is a greater threat to the quality of life in the United States—students who are inadequately prepared in mathematics and science, or an invasion of France by the Polish, Hungarian and Bulgarian armies?

Which is a more efficient use of American taxpayers' dollars—helping middle-income students finance their college educations so they do not face staggering debts upon graduation, or providing expensive military defense of Japan at highly subsidized rates?

Which is likelier to enhance America's ability to defend our real interests in the next century—substantially increasing the number of Americans who can conduct business in languages other than English, or building the B-2 Bomber and Midgetman Missile system to add to our already strong military deterrent?

Politicians are generally assumed to be risk-averse. I don't think I will shatter the stereotype if I hazard the guess that readers of this journal think that the first of these alternatives is in every case the correct answer. Sadly, President Bush's budget proposal differed from this consensus. In each of the three questions I pose, the president's budget opted for the latter response.

The president's budget did contain some increased funding for some education programs, such as Head Start. But he funded these increases by reducing other education programs which are already suffering from unwise reductions during the previous decade. And the president's budget recommended that we continue military spending as if none of the profound changes that have occurred in Eastern Europe and elsewhere have any impact at all.

The time has not come for the United States to disarm unilaterally—indeed, such a time will never come. Nor should we retreat to an isolationist position and break off ties with our allies. But it is also highly inappropriate—and damaging to our real national security—to keep spending tens of billions of dollars to repel a land invasion of Western Europe by the defunct Warsaw Pact, and to provide a level of subsidy in the military area to our Asian and European allies, who are no longer the poor relations of the 1940s and '50s but are instead our economic competitors.

Excessively self-critical

In many ways, I believe, some of us have been excessively self-critical in assessing our performance in the world's economic competition during the past 20 or so years. It is true that we are not doing nearly as well as we should be in the global marketplace, and that many of our allies in both Asia and Europe have outstripped us in some ways. But part of the reason for this is that we have made things much easier for these very allies by voluntarily shouldering a disproportionate share of our common defense expenditures,

Students who graduate college with heavy debt burdens which they must begin to pay back immediately are unlikely to take teaching jobs which barely pay a living wage.

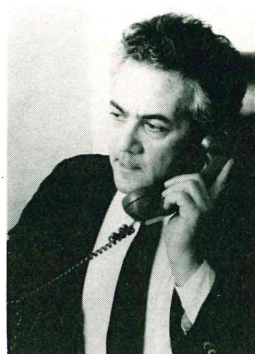
allowing them to concentrate their resources in the civilian economic area to our disadvantage.

There have been two great competitions going on in the world in the last 20 years. One is the military competition—in which the only real entrants have been the United States and the Soviet Union. The Soviets have managed to stay roughly equal with us militarily because their repressive political team allowed them to operate with a Third World civilian economy. Only by using brute force to concentrate such an overwhelming part of their economy into weapons have the Soviets sustained their past level of military force.

On the other hand, there has been the worldwide economic competition for civilian goods, in which the major competitors have been the United States, Japan, West Germany and other Asian and European nations.

Our economic competitors have done very well in part because they have been free to ignore the demands of the military as the Russians have ignored the consumer area. The United States spends 6 percent of its gross national product (GNP) on defense. Japan spends 1 percent, and the average for NATO—excluding the United States—is 3 percent. If we had been at 4 percent of GNP for the military in the past decade, we would have a smaller deficit and more money available for research and education in the civilian area. I do not argue at this point that our allies need to spend far more, but there is no reason for us to allow them to continue to press us to spend too much.

If we begin now to reduce our military expenditures, with the goal of reaching a 4 percent GNP figure within four years, we free up substantial resources. That will allow us to do a bet-



REP. BARNEY FRANK

Our economic competitors have done very well in part because they have been free to ignore the demands of the military ... The United States spends 6 percent of its GNP on defense. Japan spends 1 percent ...

ter job at deficit reduction and meet some pressing domestic needs.

Education will be high on this list. If we project current trends, the news is bleak in many ways. Our ability to recruit and support the first-rate teaching force we need is being undercut by unwise policies of cutting back financial aid.

Students who graduate college with heavy debt burdens which they must begin to pay back immediately are unlikely to pursue the further education which would benefit them and us, or to take teaching jobs which barely pay a living wage.

Inadequate funds

Of course, money does not solve everything. Money spent foolishly accomplishes little. But the absence of money guarantees that no progress can be made, and, at some levels, when funds are inadequate, that in itself prevents the sort of sensible planning and reasonable administration that help us get our money's worth.

For decades, the American people responded well to the need to protect the world against potential Communist aggression. Today, we are spending more than is necessary to meet that diminishing threat, while we fail miserably to spend enough to meet the economic competition which has come to be a greater threat to our ability to live as we would like.

I believe, as I said, that we have been too self-critical in the past. But we will have only ourselves to blame if we do not act now to redirect our resources away from the receding threat and toward the looming one. □

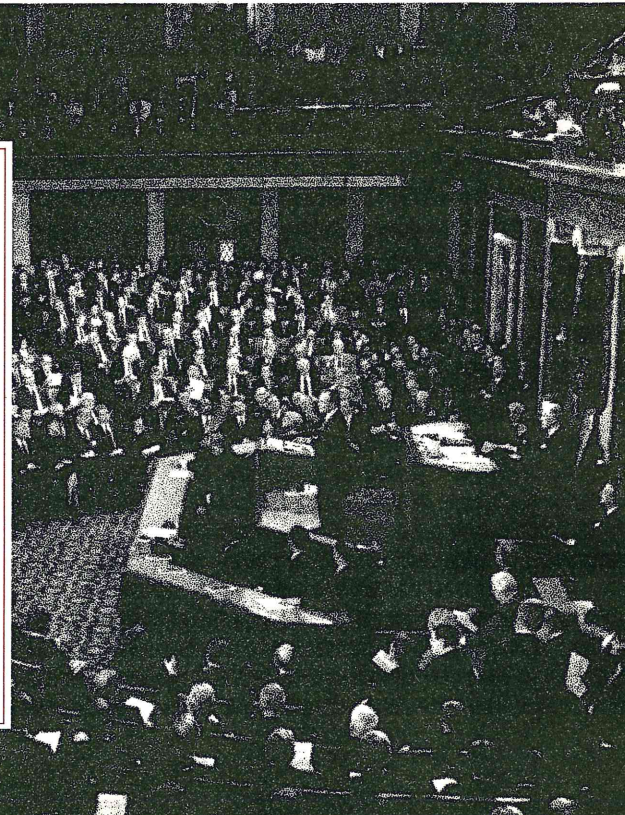
Barney Frank is a U.S. representative from Massachusetts.

BREAKING A TREND?

The call for a stepped-up federal commitment to education in the 1990s stems in part from Washington's dismal record on education in the 1980s. From 1980 to 1989, federal funds for elementary and secondary education declined by 17 percent, while funds for higher education plummeted 27 percent, according to the U.S. Department of Education. One bright spot: Federal research funding grew by 36 percent.

In contrast, from 1965 to 1975, federal funds for elementary and secondary education grew by 189 percent, while the federal investment in higher education shot up 230 percent. Federal research funding dropped slightly during that period.

Between 1975 and 1980, federal funding for education was stable with moderate increases in research funding.



WHO IS ELIGIBLE FOR MAJOR FEDERAL STUDENT AID PROGRAMS?

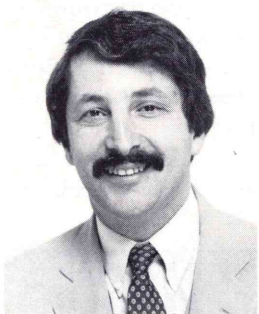
Eligibility Requirements: ↓	Pell Grants	Stafford Loans (Formerly Guaranteed Student Loans [GSL])	Supplemental Educational Opportunity Grants (SEOG)	College Work Study (CWS)	Perkins Loans
Undergraduate	Yes	Yes	Yes	Yes	Yes
Graduate	No	Yes	No	Yes	Yes
At least half-time	Yes*	Yes	Yes*	Yes*	Yes*
Must pay back	No	Yes	No	No	Yes
Must be a U.S. citizen or eligible noncitizen	Yes	Yes	Yes	Yes	Yes
Must be registered with the Selective Service (if required)	Yes	Yes	Yes	Yes	Yes
Must have financial need	Yes	Yes	Yes	Yes	Yes
Must attend a participating school	Yes	Yes	Yes	Yes	Yes
Must be working toward a degree or certificate	Yes	Yes**	Yes	Yes	Yes

SOURCE: U.S. Department of Education

Eligibility Requirements: ↓	Pell Grants	Stafford Loans (Formerly Guaranteed Student Loans [GSL])	Supplemental Educational Opportunity Grants (SEOG)	College Work Study (CWS)	Perkins Loans
Must be making satisfactory academic progress	Yes	Yes	Yes	Yes	Yes
Must not be in default or owe a refund on a Federal grant or educational loan	Yes	Yes	Yes	Yes	Yes
Having a Bachelor's degree makes applicant ineligible	Yes	No	Yes	No	No
Conviction of drug distribution or possession may make student ineligible	Yes	Yes	Yes	Yes	Yes

* In some cases, students going to school less than half-time may be eligible.

** In some cases, students don't have to be in a degree or certificate program.



REP. SAM GEJDENSON

Part of the funds that accrue from reduced defense outlays should be dedicated to educational retraining efforts and engineering-planning efforts ...

SAM GEJDENSON

Cutting Defense, Bolstering Education

Throughout history, we have seen nations prepare for the wrong war and the wrong battle. The French had the Maginot Line, the Israelis had the Bar-Lev Line, both of which were overrun. For the past 40 years, the United States has been preparing for an Eastern Bloc invasion of Western Europe. But as we have seen over recent months, the rationale for large standing forces in Europe is eroding.

For the United States, the prospect of scaled-back defense spending creates an opportunity to redirect national investment in human capital. But the transition to an economy predicated on much lower levels of defense spending will neither be simple nor painless. The New England region is particularly vulnerable because of the many communities and industries reliant on defense contracts. We already see the ripple effect of reduced defense outlays as many firms lay off employees whose work was primarily funded by the Department of Defense.

One response to this situation is to promote planned diversification of defense-department regions. Nowhere is this more pressing than in New England, where many high-technology firms rely on a labor force trained in computer sciences and engineering. In order to assist the

region in this transition, research is needed on the process of restructuring from military to civilian ends.

I believe part of the funds that accrue from reduced defense outlays should be dedicated to educational retraining efforts and engineering-planning efforts to find markets in which to redeploy the region's production capabilities.

Educational institutions have a unique opportunity to step forward and offer their expertise and resources to promote appropriate economic development. Whether the issue is identifying new markets in Eastern Europe or transforming a production process to civilian goods, the region's colleges and universities have a role to play. A partnership between government, academia and industry should be initiated early to plan for this transition in an orderly fashion.

As Congress debates the future priorities of our nation's security, it is clear that the role of educational investment must be enhanced. Economic strength, competitiveness and a diversified industrial base all must be considered an integral part of our national security. □

Sam Gejdenson is a U.S. representative from Connecticut.

JAMES M. JEFFORDS

Reducing Reliance on Loans in a Time of Federal Budget Constraints

Our comprehensive federal program of support for higher education is in some ways insufficient to meet the challenges of the 1990s. The global economy has arrived and along with it, an increased pressure to compete. Our lack of foreign language and geography instruction has left us unprepared for the rapid breakdown of borders and trade barriers. As more and more engineers and scientists are required to meet the global challenge, we find ourselves with a shortage.

We are barely keeping pace with the rest of the world as it is now, let alone as it will become. If our future, as it is said, rests on our young people, then we have work to do. Our institutions of higher learning offer the best opportunity to meet these challenges.

The promise of federal funding for higher education has been that each student who desired and deserved college should be able to attend. Yet we are experiencing a growing reliance on student loans over grants which is forcing many low-income youths away from higher education and subsequently away from economic opportunity.

Loans vs. grants

A study by the American College Testing Program shows that between 1966 and the late 1970s, when grant assistance increased significantly, college enrollment of disadvantaged students was on the rise. In 1966, students from the lowest 10 percent of family income constituted 4.6 percent of all college freshmen. That rose to 10.7 percent by 1977, but declined to only 8.2 percent in 1988. This drop in enrollment of disadvantaged students is directly related to loans becoming the predominant form of student aid.

Considering the budget constraints that we are working with, it may not be a realistic option to substantially shift our policy from loans to grants. Instead, we may need to examine alternative solutions from reducing default costs to examining the role of federal and state aid, as well as families and students in financing college education.

In the last higher-education reauthorization bill, I included language that created the National Commission on Responsibilities for Financing Postsecondary Education. The New England region is well-represented on this panel by Marshall Witten, who has headed the Vermont State Colleges trustees for 13 years. The commission is now beginning its work to examine the responsibility that families, students and the government should bear for the cost of college, and the most efficient way to use federal funds.

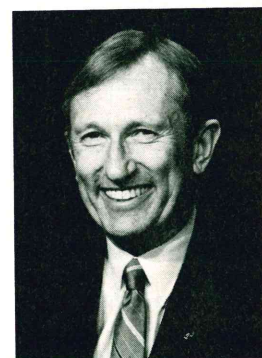
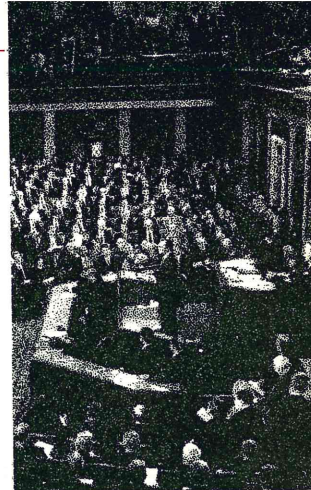
The limited availability of federal money for higher education has meant a re-examination of the loans-vs.-grants debate and a shift toward private rather than public financing of college costs. I think that we must be creative with new ways to encourage families and individual students to save for and pay for their investment in the future—their education.

Some businesses have already answered the call for college-savings plans and innovative financing. College savings bonds, offering long-term savings with a high return, are now available through banks. Parents can begin to buy the bonds as soon as their child is born. Some banks have found that investment for college is an excellent way to encourage consumer savings in general.

In my home state, the Vermont National Bank has started a structured college-savings plan. Families work with financial advisers to determine an education-savings goal, based on the projected cost of four years of education at a chosen college along with financial-aid eligibility. The goal is then met through savings in a flexible certificate of deposit.

This is not to say that students or families must shoulder the full cost of tuition. But these efforts demonstrate a realistic understanding that federal dollars for higher education are limited and hence a contribution and sacrifice on the part of students and families is needed. I am hoping the commission will help draw up some solid suggestions on alternative financing and how to encourage savings for college. I am also hopeful that we can do the same with the upcoming reauthorization of the Higher Education Act. □

James M. Jeffords is a U.S. senator from Vermont.



SEN. JAMES M. JEFFORDS

A drop in enrollment of disadvantaged students is directly related to loans becoming the predominant form of student aid.

EDWARD M. KENNEDY

Higher-Education Priorities for the 1990s



SEN. EDWARD M. KENNEDY

In the late 1960s, the federal government was spending almost \$500 million a year to build university facilities. In the 1970s, this support virtually disappeared.

Despite some predictions to the contrary, the 1980s turned out to be a good decade for American higher education. Enrollment in colleges and universities increased by more than 1 million students, despite a decline in the number of 18-year-olds in the nation. Most institutions remained economically sound, and in many cases, improved their financial health with effective fundraising. Despite lackluster leadership from the Reagan administration, federal support for need-based student aid increased, as did federal investment in research and development.

Although the coming decade seems promising, the 1990s will bring new challenges for policymakers and educators. How can colleges and universities best provide students with the knowledge and skills needed to enable them to confront the world they will face upon graduation? How can human and capital resources at our educational institutions be renewed and expanded, so that colleges will offer the best education possible? How can higher education be made more accessible? The answers to these questions are neither simple nor inexpensive. It is likely that they will be a focus of extensive debate in the coming years.

Revising the curriculum has been called the favorite indoor sport of American higher education. Certainly it is an effort with a long history. In the past two decades, the curriculum has been repeatedly revised to make it, depending on the situation, more demanding, more relevant, more broadly based and less Eurocentric. The debate is important, for what students are taught has much to do with the further contribution they can make to society.

It is of equal importance, however, that colleges address not only what is taught, but also why it is taught and how it is taught. Excellent teaching must be emphasized and rewarded; high intellectual standards must be set forth for students and faculty; and a well-thought-out educational philosophy must be reflected in the curriculum.

Pursue graduate school

A prerequisite for better teaching is to begin to replenish the human and capital resources at our colleges and universities. Persuading the most talented students to pursue graduate degrees and academic careers is vitally important. We need to attract more students to computer science, business, mathematics, engineering and the health professions, and a number of important efforts are underway in these areas.

But there are predictions of impending teacher shortages in the humanities and the social sciences, as well. While analysts disagree about the extent of the shortages, we need to expand our efforts to encourage young men and women, especially minorities, to pursue graduate education.

At the same time, we need to ensure that

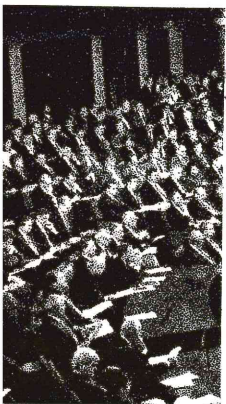
graduate students have the chance to study in high-quality academic facilities and work with state-of-the-art laboratory equipment. Unfortunately, the quality of the learning and the research experience on many college campuses is jeopardized by inadequate and out-of-date facilities and equipment. According to *The Decaying American Campus*, a benchmark 1989 report by education business officers and Coopers & Lybrand, the estimated capital-renewal/replacement needs of all U.S. colleges and universities total \$60 billion, while high-priority repairs and renovations alone require \$20 billion.

In the late 1960s, the federal government was spending almost \$500 million a year to build university facilities. In the 1970s, this support virtually disappeared. Two years ago, Congress approved the Academic Facilities Modernization Foundation Reauthorization Act. This program—funded at just \$20 million in fiscal year 1990—represents a modest effort to start rebuilding research facilities. I believe that the federal government, in concert with state governments and institutions, must, and will, substantially increase its investment in this area in the next decade.

Better access

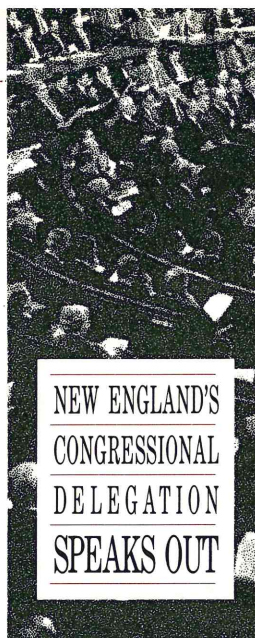
Improved access to higher education, especially for the disadvantaged, has always been the focus of federal student-aid programs, and it will continue to be a centerpiece of federal policy in the coming decade. The proportion of Blacks and Hispanics who enroll in college remained relatively unchanged from 1980 to 1988, and at levels substantially below those of 1976.

Additional resources are needed for student-



aid programs—especially Pell Grants, Stafford Loans and Supplemental Grants—to ensure that financially needy students have access to higher education. An equally important step is to ensure that students are aware, at an early age, that a college education is not an impossible dream.

Initiatives such as Eugene Lang's "I Have a Dream" project in New York City, which is currently being implemented at the Mather School in Boston, can provide support and encourage youngsters from disadvantaged backgrounds to stay in school and attend college. "Last-dollar scholarship" programs—such as the Action Center for Educational Services and Scholarship in Boston, which provides counseling and supplemental financial assistance to high-school seniors—also hold promise for increasing the college enrollment of minority and economically disadvantaged students.



The presence of these innovative programs in New England underscores the leading role that our region will play in the 21st century. American higher education was born in New England three centuries ago. In the intervening years, New England's colleges and universities have regularly played a central role in seeing that higher education meets changing national needs.

The worldwide challenge of economic competitiveness means that all nations are seeking an edge that will help them prevail in the international marketplace. America's colleges and universities are indispensable in meeting this challenge. With good reason, our institutions are highly regarded both here and abroad, as among the wonders of the world. We must ensure that they remain so. □

Edward M. Kennedy is a U.S. senator from Massachusetts.

PATRICK J. LEAHY

Star Schools for Rural America

I was born and raised in Vermont, one of the most rural states in the country. As chairman of the Senate Agriculture Committee, I have traveled across the country and talked with people living in rural America. I have seen a rural America with high unemployment rates and declining economic conditions. But the quality of rural life—a lifestyle of self-sufficiency and neighborliness—keeps rural Americans at home. They are hopeful and optimistic. They are a tough breed with a strong work ethic and the determination to succeed. Rural Americans simply need the tools to build for the future.

For this reason, I introduced the Rural Partnerships Act. The bill, which passed the full Senate and is under discussion among members of the House and Senate, stresses three basic principles: investment in economic growth through new businesses and jobs; investment in quality of life through safe drinking water and waste disposal; and investment in human resources through improved schools.

Students and workers in rural areas want to learn, but too often lack access to necessary educational and training opportunities. Longer distances must be traveled for services, and training programs are more costly or less feasible to implement.

My bill invests in "star schools" that use telecommunications technology to bring education and training programs to rural Americans.



SEN. PATRICK J. LEAHY

Vermont's interactive television project works because it is a partnership among education, business and government.

The star schools provision in the bill is modeled after a very successful program in Vermont—the Vermont State Colleges Interactive Television Project (VIT). What started as a pilot project operating between two sites in 1988 now connects five areas in Vermont—Burlington, Randolph Center, Springfield, Lyndonville and Newport. VIT provides two-way audio and video interactivity using compressed video over T1 telephone lines.

Colleges, nonprofit groups, state agencies, high schools, teacher-training organizations and businesses use the statewide telecommunications system to increase access to educational and training opportunities efficiently and economically.

A recent VIT newsletter describes how a high-school student in southern Vermont was able to take an advanced-placement calculus course not offered at his school, but available from the Newport VIT site in northern Vermont. Other offerings from VIT include workshops on doing business with the Soviet Union, and preparing Vermont's workforce for the '90s.

VIT recognizes the link between Vermont's educational system and its economy, and the need for a well-educated labor force to ensure sustained economic growth. It works because it is a partnership among education, business and government. It is the kind of partnership we must encourage to preserve and improve life in rural America. □

Patrick J. Leahy is a U.S. senator from Vermont.

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IN AMERICA
HAVE ALREADY CHOSEN
THE BEST
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Education Is the Foundation for Economic Growth

While the 1980s have been a time of economic success for many in America, the decade also brought us a new set of challenges—a ballooning budget deficit, an unprecedented trade deficit and record-low savings and investment rates. Now, as we enter the 1990s, the United States trails far behind its competitors in the basic task of educating our workforce, thus further impeding our ability to maintain a competitive edge in a changing world economy.

For almost 30 years, the United States' attitude toward the quality of our educational system and the quality of our workforce has been one of benign neglect. In fact, not since the 1957 launch of the Soviet Sputnik has there been such an intense focus placed on the decreasing "technical and scientific literacy" of this country's young people. In 1957, the focus was the result of a contentious Cold War relationship with the Soviet Union. In 1990, at the end of the Cold War, we find ourselves with a similar focus, but this time it is the result of the declining ability of the United States to compete in the global marketplace. Many attribute this decline, in part, to a deterioration of U.S. educational performance.

There has been much discussion in the media, among scholars and in Congress about how ill-prepared our workforce is to perform the jobs businesses need done, and how this gap between jobs and the skills of applicants will continue to grow as we approach the 21st century.

In recent years, U.S. students have been outperformed by students from Japan, West Germany and the United Kingdom in virtually every major assessment of science and mathematics educational achievement.

Our education system is failing to keep students in school or teach them the skills they need. As a result, employers must spend millions of dollars to "re-educate" employees. The problem has become so serious that:

- One million American young people drop out of high school every year, almost 50 percent of students in some inner-city schools.
- Of the 2.4 million Americans who graduate from high school each year, 25 percent cannot read or write at an eighth-grade level; 20 percent of Americans are functionally illiterate.
- In 1987, Chemical Bank, which hires approximately 700 tellers a year, had a 55-percent pass rate on the eighth-grade level mathematics test that it administered to applicants. (In 1983, more than 70 percent of the prospective tellers had passed the test.)
- In 1986, Motorola Inc. spent \$42 million—2.6 percent of its payroll—to train its workers to use a production method called statistical-process

control. Prior to the training, the use of the system was beyond the abilities of workers who lacked a basic foundation in math.

We must act now to ensure that our workforce is able to meet the changing business needs of our society and an ever-more demanding global economy.

In order to continue to enjoy the economic growth which has occurred over the last seven-and-a-half years, we must address our nation's budget deficit, the low rate of investment and savings, the cost of capital and the continued emphasis on the short term over the long term. We must pursue proactive trade relations with emerging Eastern European market economies and make every effort to improve our trade balance with Japan and the European Community. But we cannot hope to improve our long-term global competitiveness without first addressing the training and preparation of our future inventors and creators—scientists, physicists, chemists and engineers. We must recognize that excellence in education is the foundation of economic growth, not merely an ingredient.

We must also examine the reasons behind our decreasing levels of productivity. According to the Congressional Research Service, between the years 1972 and 1986, the productivity of U.S. manufacturing workers grew only modestly, while Japanese workers doubled their productivity. The link between productivity and education is critical. The significant growth in the U.S. economy in the first half of the 20th century has been attributed to increases in human capital and the expansion of workers' knowledge. In order for us to grow in the first half of the 21st century, we must have a better educated workforce prepared to meet the technical requirements of the workplace of the future.

A recent survey by the National Science Teachers Association concludes that "of the 24,000 high schools in the United States, 29.6 percent offered no physics courses; 17.5 percent offered no chemistry; and approximately 8 percent offered no courses in biology." Additionally, surveys suggest that only 60 percent of U.S. students take biology, 30 percent take chemistry, and 15 percent take physics.



SEN. JOSEPH I. LIEBERMAN

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The National Research Council has reported that non-U.S. citizens who take the Graduate Record Examination in mathematics average 100 points higher than U.S. students. Mathematics achievement of the top 5 percent of 12th-grade students is lower in the United States than in other industrialized nations. The average 12th-grade mathematics student in Japan outperforms 95 percent of comparable U.S. 12th-grade students.

The administration has, thus far, failed to seriously address educational policy as a component of economic growth. Proposals have generally focused on more traditional education concerns such as the quality of basic education and national standards. Few have examined the issue of what we teach in relation to what kinds of jobs we are asking people to perform.

In order to improve our students' educational achievement, particularly in the areas of science and math, we must look at our entire educational system. We must review the curriculum, the instructors and the ways in which we motivate stu-

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dents, especially those students who are most likely to drop out or otherwise ignore educational opportunities.

We need to work on federal solutions to the problem of an educational system that isn't producing workers with the skills we need in the 1990s and beyond.

President Lyndon Johnson once said that "we must open the doors of opportunity. But we must also equip our people to walk through those doors." As a nation, we are spending a lot of time deliberating on growth and opportunity, but we rarely consider the components necessary to achieve such growth. Clearly, excellence in science, math, engineering and technology is an indispensable part of that formula. All of us, whether in Washington, state capitals, schools or businesses, must appreciate that reality and work together to make two worthy "ends"—education and economic growth—meet. □

Joseph I. Lieberman is a U.S. senator from Connecticut.

RONALD K. MACHTLEY

Encouraging the Teacher Track

The budget problems facing the New England states, as well as the federal government, exemplify the problems facing our country today. As the federal government attempts to reach its Gramm-Rudman-Hollings deficit reduction targets, it often holds the states responsible for maintaining a variety of its own programs. The federal government can assist states with cost-effective legislation.

My constituents in Rhode Island focus on health-care costs, education and environmental initiatives as three of the most important state programs which are suffering from cutbacks.

While we have greatly increased our spending on health care, our federal expenditures on education have not grown as rapidly. I believe, however, that we can work on some of the education problems by restructuring the system—putting responsibility in the hands of those on the front lines every day. Teachers and school administrators should have a larger voice in education decision-making. I am a strong advocate of legislation that would give these educators more input.

I also believe in the importance of a "mentor program." I have introduced legislation that would link a college financial-aid recipient with an at-risk high-school student who is on the brink of becoming a dropout. This is truly a symbiotic relationship, with each person gaining insight and help from the other.



REP. RONALD K. MACHTLEY

The teaching
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I'm sure all of us can recall good and bad experiences involving teachers. Each of those experiences taught us something. Now imagine a school grossly lacking in able, competent teachers. That is the unfortunate situation which looms on the horizon for the United States. The teaching profession, it seems, has lost its appeal, is underpaid and unrewarding.

Think about that for a moment. We, as parents, entrust schools and teachers with our children every day (excluding vacations) for at least 13 years. Don't we want the best and brightest to teach our children? Don't our children deserve that?

I believe the answer is yes, and I have cosponsored various pieces of legislation to encourage more people to enter the teaching profession. One bill would forgive or extend student-loan payments for those who become teachers. Another would fund a National Writing Consortium, with teachers teaching teachers to help our kids. A third piece of legislation would give teachers a stronger voice in determining how to best use education funds.

These initiatives are just the tip of the iceberg. Greater steps must be taken to encourage more people down the "teacher track." □

Ronald K. Machtley is a U.S. representative from Rhode Island.

NICHOLAS MAVROULES

Administering a Peace Dividend

On the threshold of a new decade, the United States is precariously perched as a leading power both economically and technologically. Faced with increasingly stiff international competition, our nation must rise to the changing nature of the international marketplace to sustain a vibrant economy and robust educational system. Only if we accept the fact that the challenges facing our country in the decade ahead are substantially different from those of decades gone by will the United States retain a portion of its previously dominant competitive advantage.

In my judgment, the most important ingredient in a healthy, competitive U.S. economy is a first-rate educational system. That is why improving our children's education must be our top priority.

A strong educational system guarantees not only the progress of a society but the personal growth and development of its citizens; it improves the quality of life both tangibly and intangibly. Through an emphasis on education, our country has made great strides politically, socially and economically over the past 200 years. But we, as a nation, are currently at a crossroads.

Intense international competition is outpacing sluggish U.S. performance on many levels across several industries. The United States has spent a decade resting on past accomplishments. We now find ourselves in a situation where we urgently need to jump-start our competitive drive in a fundamentally altered workplace.

We must face this challenge by improving the math and science skills of our youth. While rivals like Japan and West Germany place an emphasis on math and science, the United States has relaxed its standards in these vital areas. Recent statistics show that without a workforce trained in math and science, the forecast for our economic future is gloomy.

Raising standards

As in the past, I remain committed to adopting legislation that raises the educational standards in our school systems. I supported recent House action to provide \$13 million in scholarships next fall to students who agree to teach or work in the fields of math and science.

However, we cannot stop there. In a culturally interrelated world, the United States will be unable to meet the challenge of other nations without a broadly educated citizenry. Consequently, the United States needs a curriculum at the primary and secondary levels that is geared to the 1990s. An improved and more structured standard program of courses will provide the background necessary to make higher education accessible to all students who desire it. We must also introduce new programs to improve early childhood learning and raise the basic skill levels of our nation's youth.

Congress has taken the lead with bold new education proposals. For example, the House re-



REP. NICHOLAS MAVROULES

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cently adopted the Equity and Excellence in Education Act of 1990 (H.R. 5115)—one of the first steps taken by the federal government toward implementing the national education goals proposed by the president and the nation's governors. The goals established targets for the United States in the areas of school readiness, school completion, student achievement, mathematics and science, literacy and drug-free schools. We added two goals that are of vital importance to our nation's educational success. These goals concern teacher recruitment and retention and equal opportunity for postsecondary education.

This legislation is needed to ensure that there is a federal commitment to assisting the states, local education agencies and institutions of higher education in meeting the education goals. In addition to authorizing training and literacy programs and the president's initiatives, this legislation outlines the policy for the federal government to pursue in striving to achieve the goals. The policy includes providing sufficient funding for existing federal programs, such as Chapter 1 and the Education of the Handicapped Act, so that all eligible recipients will be served.

Defense cuts

Educational reform efforts should be given a boost by the forthcoming peace dividend. Cuts in defense spending are projected to result in a 25-percent reduction in force levels by 1995.

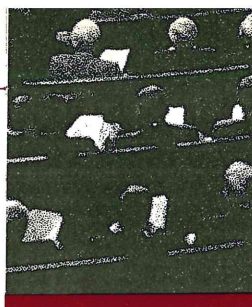
While only a small degree of the fiscal significance of the proposed reductions would be realized in next year's budget, it is my belief that the peace dividend will amount to approximately \$250 billion in the next five years. The realization of such a peace dividend will afford us the ability to reduce the federal budget deficit and resuscitate much-needed social programs such as education.

Education is not solely a childhood process. It extends throughout our adult life. Given the nature of our changing economy—moving away from high levels of defense spending—we are faced with a need for adult-retraining programs. Many of our brightest minds have been em-

ployed by the defense industry. In order to maintain economic growth, we must reinvest these resources into civilian production as rapidly as possible.

For this reason, I will incorporate into this year's defense bill a program to assist workers, businesses and communities that are adversely impacted by reductions in defense spending. My program will reallocate about \$200 million of defense funds to retraining and economic development programs. By providing these resources to existing federal agencies, we will avoid the creation of a new bureaucracy.

With programs like economic conversion, we can begin to meet our nation's education



The United States
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challenge. I strongly believe that promoting such initiatives would begin to take advantage of the virtually untapped resources of private industry. The increases in funding for education provided by private industry will help our system keep pace with our foreign competitors. If we are to succeed in formulating a solid education strategy for our nation's future, it is important to pursue a multifront approach.

The time is now. The need is urgent. American competitiveness for the century ahead hinges on educational strength. □

Nicholas Mavroules is a U.S. representative from Massachusetts.

JOE MOAKLEY

Student Financial Aid: An Investment in our Nation's Future

An emerging theme in Congress is competitiveness in education. In order to keep pace with students in other parts of the world, American students need a quality education which teaches them to think, speak and write clearly. But a recent study conducted by the Economic Policy Institute found that the United States trails far behind other industrialized nations in expenditures for education. A significant increase in federal funding is needed to ensure that Americans develop the necessary skills and knowledge to be competitive.

President Bush, the self-proclaimed "Education President," submitted a budget proposal for fiscal year 1991 which would increase funding for education programs by \$500 million—not nearly enough to keep pace with current inflation. Additionally, as a share of the gross national product, the Bush proposal for education was more than \$10 billion below the fiscal 1981 share. Furthermore, the president would shift funds from higher-education programs to elementary and secondary schools. These shifts and the very small increases jeopardize the education of our nation's students—hardly an act of a president who is genuinely concerned with education issues.

Because of its once-booming economy, Massachusetts in the past was able to offset the president's reductions to federal education programs. However, with the current state of economic affairs in New England, Massachusetts is no longer able to bear the burden of limited federal assistance. A strong commitment of federal funds to strengthen and expand educational programs—particularly student financial assistance—is needed.



REP. JOE MOAKLEY

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In Massachusetts, the cost of tuition is rising, while student aid and state assistance to institutions is decreasing. The increases in tuition combined with reductions in student aid are imposing an extreme financial burden on students in public universities. Increases in federal financial aid could alleviate this burden for students.

Instead the "Education President's" proposal for student financial aid violated his campaign pledge for a "national commitment to expanding opportunity for higher education." His proposal for funding Pell Grants was \$216 million less than the estimated program costs. If approved, 14,000 students who currently receive Pell Grants will lose their grants completely, and more than 1 million will have their grants reduced. Fortunately, Democrats in Congress are committed to improving the funding for higher-education programs.

I strongly believe that a federal investment in student financial assistance is an investment in our nation's future. Study after study has shown an increasing need for a highly educated workforce. I can't think of a better way to achieve that goal than by ensuring each and every individual the opportunity and available financial resources to attend college.

I assure my constituents that as chairman of the House Rules Committee, I will do all in my power to see that legislation which would more appropriately fund education programs be brought to the House floor. Students throughout the nation deserve the opportunity to fulfill their educational goals and achieve their fullest potential. □

Joe Moakley is a U.S. representative from Massachusetts.

RICHARD E. NEAL

Restoring our Education System



REP. RICHARD E. NEAL

Recent employment trends have shown a steady increase in the job market for technically trained professionals.

Recognizing the severe and overwhelming crisis in our nation's educational system, Congress has felt compelled to lend as much assistance as possible. While not all existing education problems can be immediately resolved in this session of Congress, several pieces of legislation aimed at restoring our educational system have been introduced to confront these issues.

The Equity and Excellence in Education Act of 1990, introduced by House Education and Labor Committee Chairman Augustus F. Hawkins, was passed by the House prior to the August recess. Continuing New England's tradition of sustaining an exceptionally qualified corps of teachers, this bill would establish "Professional Development Academies" designed to keep teachers current in their fields of instruction and, most importantly, in the practice of teaching.

I have introduced the Secondary School Science and Mathematics Teachers Assistance Act of 1990 (H.R. 4798) to specifically address the shortage of secondary-school mathematics and science teachers. This bill would establish

a loan-forgiveness program for teachers who enter the teaching profession in those fields and make a commitment to teach for a minimum of four years.

Two other major pieces of legislation under consideration in the House deserve support. Recent employment trends have shown a steady increase in the job market for technically trained professionals. The Applied Technology Educational Amendments of 1989 (H.R. 7), introduced by Chairman Hawkins to overhaul federal aid to vocational education would authorize about \$1.5 billion for fiscal year 1991, as well as encourage four-year vocational-education programs. The National Service Act of 1990 (H.R. 4330) would establish school-based education/community-service programs and youth-service programs.

I am confident that with the leadership of the Education and Labor Committee along with the House leadership, Congress will be able to restore our once-admired system of education. □

Richard E. Neal is a U.S. representative from Massachusetts.

CLAIBORNE PELL

World-Class Education for a World-Class Workforce

As we move into this last decade of the 20th century, we have a new buzzword in Washington. Where once we spoke of "a level playing field" in terms of giving everyone a fair and equitable chance, we speak today of "competitiveness."

Without question, this new decade will be one of intense competition for economic leadership in the world. It will be a competition primarily among three geographic areas: Japan and other Asian nations; Europe, which after 1992 will be united as never before; and the United States, with the addition of Canada.

Make no mistake about it; much is at stake in this competition—our standard of living, our national security and our ability to provide world leadership.

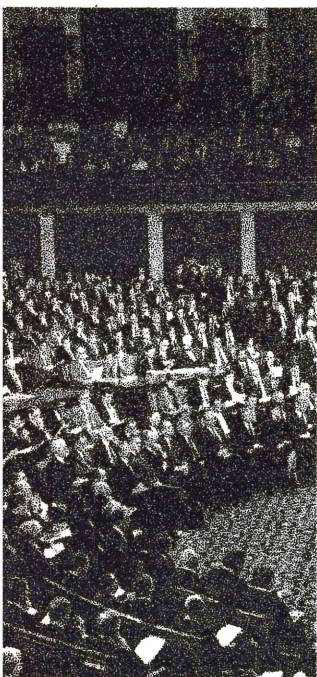
I am convinced that our success in this competition will depend heavily upon what we do in education. Very simply, we must have a world-class workforce—and that demands a world-class education.

Creating that world-class education, however, will not be an easy task. It will involve very hard work at all levels. In a nation where education

has traditionally been a state and local matter, new demands will clearly be placed on those jurisdictions. But because of the national and international demands of the problems confronting us, more must and will be asked of education at the national level.

I would like to focus, therefore, on three areas where our work in education, this year and next, will have a dramatic impact on what we are able to achieve in economic development and how we will fare in international competition.

The federal government has been involved in



NEW ENGLAND'S CONGRESSIONAL DELEGATION SPEAKS OUT

vocational education since 1917 and the passage of the Smith-Hughes Act. It was the federal presence that spurred the states to act in this area, and changes in federal law continue to have a dramatic impact on state and local vocational-education programs. Without question, what we do in vocational education will have a profound effect on whether we have the world-class workforce we need.

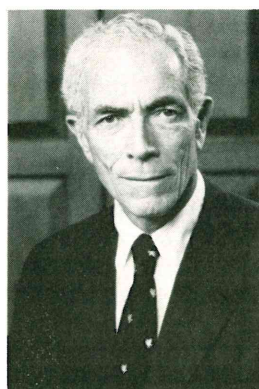
That is why there are such historic changes in my vocational-education legislation that has passed the Senate. We recognized, for instance, that every student who completes vocational training must also know how to read, write and compute. As a result, the bill mandates the integration of academic and vocational training.

We understood that every student should receive state-of-the-art training. As a result, the bill mandates education and training on the most modern equipment and in the latest technology available, and it requires that the training be in areas where jobs exist. No longer will we provide outmoded and outdated instruction where there is no hope of a job when the course of instruction is completed.

In the area of literacy, the challenge is enormous. More than 26 million Americans today cannot read or write. A world-class workforce cannot exist on such a base. That is why the Senate earlier this year overwhelmingly approved the National Literacy Act. The legislation, which began in the education subcommittee which I chair, includes a much-needed expansion of the Adult Basic Education Act. That program is highly successful but it serves only one-half of those who seek the services it provides. Clearly, if we are to move ahead in improving our competitive stance, a literate workforce is crucial.

In higher education, we face similar challenges. We live in a nation where 18 of 21 growth-jobs require at least two years of education beyond high school. That is a fact that must be reflected in federal legislation. It is a matter we will clearly address when we reauthorize the Higher Education Act next year.

We live in a nation where there is a considerable decline in the number of Blacks and Hispanics who seek higher education. That too is something that must be addressed with student aid and higher-education programs that work to encourage these students to pursue a college education, rather than discourage them.



SEN. CLAIBORNE PELL

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We live in a nation where the imbalance between grants and loans has reached an intolerable level. Over the last 10 years, a student-aid package has gone from three-quarters grants and one-quarter loans to almost the opposite, three-quarters loans and one-quarter grants. That means a terrible increase in student indebtedness, which in turn is driving students away from public service and teaching positions. Again, this will be of major concern when we turn to reauthorization, and it is something that must be addressed if we are to maintain a leadership position in the world economy.

We live in a nation where the shortage of scientists, engineers and teachers in math and science is reaching alarming proportions. We will need an additional 300,000 teachers in these fields alone by the year 2000, and almost 700,000 scientists and engineers by the year 2006. How we address these needs in terms of national legislation will in turn determine how competitive our nation will be in the years ahead.

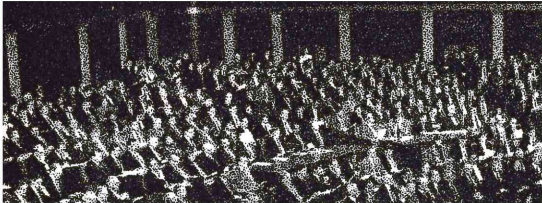
Student-aid dollar

Basically, the federal higher-education dollar is a student-aid dollar. It is spent on Pell Grants, Stafford Loans, aid for graduate students and a host of campus-based programs, such as supplemental grants, Perkins Loans and College Work Study. Taken together, these programs account for more than 75 percent of all aid available to students to help them finance a college education.

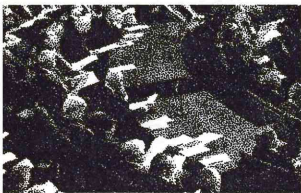
We will be ever mindful of that fact when we begin to work on the reauthorization of the Higher Education Act. For clearly, what we do in the area of student aid has a dramatic impact on all postsecondary education and training programs and upon the course we seek to chart in the international arena as well.

In many ways, the measure of our ability to lead the world will depend upon not only the number but, more importantly, the ingenuity of our federal education programs. For without question, the real strength and health of our nation is found not in our weapons of destruction, not in our machinery of construction and not in the amount of gold at Fort Knox. The real strength and health of America is found in the education and character of her people, and everything else flows from that point. □

Claiborne Pell is a U.S. senator from Rhode Island.



JOHN G. ROWLAND



A Permanent Role for Business in the Schools

One of the most exciting prospects for public education in the 1990s is the growing awareness among business and industry that they have a very real stake in what's happening in our nation's schools. Of course, educators and the business community have always shared a common interest in students. Today, however, this common interest is critical because America's schools are stumbling just when our businesses need to sprint.

The emerging global economy looms over the great education debate as many in business are sending out the message that even our college and high-school graduates fail to meet the standards in basic skills and academic achievement needed to perform on the job. Fortunately, these business leaders also seem ready to step in and help.

The private sector's traditional role in education has been job training aimed at producing employees with specific skills for specific jobs. Whether it be in manufacturing or investment banking, the private sector knows how to take an educated person and groom him or her to be a successful employee. This training is vital for many students making the transition from school to work, and needs to be encouraged even further through private initiatives and public policy. Indeed, some leading educators are calling for a new era of apprenticeship which offers the less advantaged among us a new avenue of opportunity from school to work.

Recently, however, businesses have found that the students reaching their doors lack the educational essentials needed to perform even basic tasks, such as reading and understanding operating instructions for machinery. As a result, before the businesses can train employees to work, they must teach them to read, write and perform simple math. This "pre-training," as it is called, costs business and industry an estimated \$25 billion each year, and places our companies at a competitive disadvantage against companies in Europe and the Far East whose labor forces seem better schooled and better prepared to perform effectively in the workplace.

While the efforts of American business to correct the educational deficiencies of workers through remedial programs deserve our support and commendation, it should be evident to everyone that this is no solution. Company schools can reach only a small fraction of the adults in need. Worse, the practice casts a shadow of doubt over the whole public-education system. Even the strongest supporters of business involvement in education would agree that it is not the job of private industry—faced with daunting challenges in the new international economy of the '90s—to teach people to read and write. That responsibility belongs to our schools, and the very fact that

so many companies have of necessity taken on the task themselves is a sad commentary on the failure of our public education system.

Crisis becomes opportunity

Out of crisis comes opportunity. The entry of the private sector into the great debate on education reform in America has great potential, especially insofar as our mission is a competitive one: setting and meeting performance goals and gauging ourselves against our competition abroad. Armed with a highly personal stake in the development of human resources, businesses have come knocking on our schools' doors, bringing with them some very exciting ideas for school reform. Business leaders such as Connecticut's David Kearns, chief executive officer of Xerox Corp., have offered ways to break through the crisis we face in our urban and rural schools and to raise the standards in even our most affluent and successful schools.

Business is also taking a more active interest in what's being taught in the classroom, particularly in science, math, computer education and other fields vital to research and development in this country. On a broader scale, we have seen closer coordination between industry and vocational-technical education, with local businesses in some cases providing state-of-the-art machinery to schools that have fallen behind the times. Our challenge is to establish a permanent role for business in curriculum, teacher training and direct interaction with students at all levels in the fields business knows best. We must ensure that private-sector contributions to excellence in education become not just a fad of the '80s, but a continuing part of the educational enterprise.

It is a noteworthy fact that the impetus for many of the most important innovations in education during the last decade has come not from the traditional sources of leadership, but from



REP. JOHN G. ROWLAND

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governors, state legislators, school reformers in the intellectual community and private business. There are a variety of initiatives now underway in states and school districts across the nation in such areas as choice, magnet schools, school-based management and performance tests for teachers and students. Some of these experiments are worth implementing on a national scale.

It's time to move beyond the education debate of the '80s and make the 1990s a decade of action to improve our schools. We have a tremendous reservoir of proven ideas to address the most severe educational deficiencies in our system. What we need is the will to put them to work.

Business can help us restructure public education from the ground up by encouraging radical change in the operation of schools. Business can also contribute its unique resources to the classroom to meet the needs of our children for educational experiences that cannot be obtained in traditional ways, while it meets its own needs for a skilled and educated workforce.

Let's nurture the cooperative spirit being offered by some in the private sector today and make the project of education belong to everyone. □

John G. Rowland is a U.S. representative from Connecticut.

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CLAUDINE SCHNEIDER

Toward High Achievement in Math and Science

One of the greatest challenges facing us today is the ability of our workforce to compete in the international marketplace of the future. Because economic productivity will require a population that is both scientifically literate and technically capable, education in science- and math-related areas is directly related to our nation's competitiveness and viability in foreign markets. Unfortunately, numerous international comparisons have placed U.S. high-school students near the bottom of the scale in these subjects.

The National Governors' Association Task Force on Education recommended several national goals for education. One goal that was adopted: "By the year 2000, U.S. students will be the first in the world in science and mathematics achievement." I enthusiastically support this goal and urge a national commitment to obtain it.

A series of hearings held by the House Science, Space, and Technology Committee, where I serve as a senior member, revealed a number of complex factors that contribute to our faltering math and science education programs. One clear conclusion was the need to strengthen support for math and science at every stage of education.

Too much TV

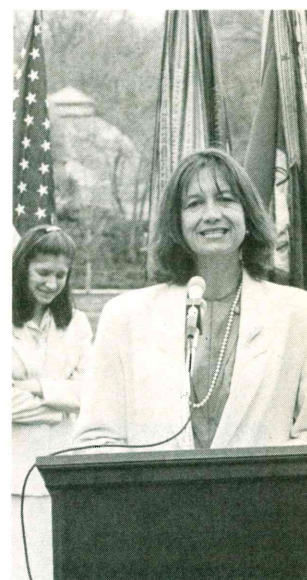
It is a discouraging fact that elementary students spend an average of only 18 minutes in school each day on science, compared with 203 minutes watching television. This is a critical period in a child's educational development; attitudes toward specific curricula are formed at this very early age. Children should be taught that science can be fun and that there is more to understanding technology than playing Nintendo.

One way in which an interest in science and math could be bolstered in primary and secondary schools is through programs heavily composed of problem-solving, conceptual under-

standing and student participation in small groups. For this reason, I sponsored the Class Size Demonstration Act (H.R. 1212)—legislation to examine the educational benefits of reducing class size.

Federal assistance to math and science majors in undergraduate and graduate institutions has been disappointing. Funding for fellowships has fallen 78 percent since 1970. Furthermore, a severe shortage of qualified teachers persists; over 1,400 engineering faculty positions are currently vacant. In addition, deteriorating school facilities and antiquated equipment hamper state-of-the-art training.

We also must recognize that proficiency in math and science is a lifelong activity required by our ever-changing world. Some estimates indicate that continuing education for adults can boost worker productivity between 12 percent and 19 percent. More importantly, the democratic process depends upon an informed, scientifically literate public that can make judg-



REP. CLAUDINE SCHNEIDER

Children should be
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The democratic process depends upon an informed, scientifically literate public that can make judgments about complicated issues such as arms control, environmental pollution and health care.

ments about complicated issues such as arms control, environmental pollution and health care.

Fewer college-age students

Ultimately, one of the principal responsibilities of the educational system should be to ensure that there will be an adequate supply of math and science professionals. However, this is an objective which rows against the tide of demographic trends. Overall, there is a very limited number of college-age students relative to the student population of the 1970s. This segment of the population will continue to decline in number throughout the remainder of the century.

The demographics are even more daunting when we consider the participation of women and minorities in math and science fields. Current projections reveal that between now and the year 2000, women and minorities could provide 85 percent of new workforce entrants. Although the number of women in these fields has tripled in the last decade, women still account for only about 15 percent of the science and engineering workforce. Blacks and Hispanics total 21 percent of the population but earn only 2 percent of all of Ph.D.s in these fields. More active recruitment from among these groups will be necessary to fulfill our nation's demand for scientists and engineers.

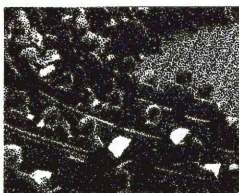
To address these concerns, Congress has begun to take action to improve math and science

education in this country. Recently, the House passed a broad education initiative that includes four-year congressional scholarships for college students majoring in math, science or engineering (H.R. 5115). The Department of Education would administer the program, which would provide scholarships each year for two high-school seniors in each congressional district, one of whom must be a female. This bill also includes a provision helping students, usually women, who interrupt their education for family reasons to maintain scholarship eligibility.

In the Senate, comprehensive science education legislation, introduced by Sen. Edward M. Kennedy (S. 2114), has been approved by the Committee on Labor and Human Resources. The legislation sets objectives to elevate the public's scientific literacy, to educate and train technologists and to promote the educational development of scientists and engineers.

Supporting math and science education is a sound investment in the future of our nation. What we do to educate ourselves in these areas will determine the limits on our ability to understand the world, make advances in technologies and perform economically. It is a test on which we cannot afford to score anything less than the best. □

Claudine Schneider is a U.S. representative from Rhode Island.



We must create a national child-care policy, providing every preschool and elementary-school kid with a decent place to go—a place where his or her basic education is reinforced instead of subverted.

PETER SMITH

Implementing Education Goals: A Four-Point Plan

As the United States enters the first decade of a fully competitive world economy, it carries with it the disadvantage of an education system that performs consistently below average. This does not bode well for a nation which built its success on superior knowledge, hard work and training. If we are to compete with other nations in human-resource development, we need a coherent national commitment to education and training—and that commitment has been dangerously slow in maturing.

For years, we have mapped out goals to meet the challenges that await us: better preschool preparation, concentration on math and science training, equal opportunity and greatly increased local involvement in decision-making. We know that excellence in education demands all of these. With a new age dawning in almost every corner of the world, however, it's time we deal with the means to implement these goals.

I propose four basic steps:

First, we must create programs for the early education of our children, and give parents the

resources to do the job. In the past, Chapter 1 of the Elementary and Secondary Education Act and Head Start have been tremendously successful, and our commitment has grown: almost \$1 billion in added federal funding for each in the last two years.

To build on that success, we must create a national child-care policy, providing every preschool and elementary-school kid with a decent place to go—a place where his or her basic education is reinforced instead of subverted. And after we get that policy written into law, we must

support it. In the new global economy, more and more dual-parent homes will have two wage-earners. There will also be more parents who bring up their children alone. Affordable child care is absolutely essential for the families of the 1990s.

Second, we need strong national goals, like those agreed to by the president and the National Governors' Association early this year. The goals we adopt must emphasize outcomes—real goals that local communities can strive for and achieve. State and local school authorities are the only ones who can spread real economic prosperity—through education—around the country. If we do it right, we can create what I call the "politics of excellence," an understanding that only those who produce results in the classroom will remain in charge. That kind of feeling among educators can only be healthy for the students.

Third, our teaching standards must improve. One idea for accomplishing this is a nongovernmental certification process, similar to the American Bar Association model. An organization committed to excellence would certify only those who qualify by their proven competence. That kind of process would operate in addition to the regular state certification system. And we must continue the progress we've made in recent years on teacher salaries, so education as a career attracts and keeps our most talented professionals.

Finally, we need to reinvent our schools for excellence, so that the goals can be achieved. A restructuring of elementary and secondary schools will refocus program authority where it can be effective—on local school boards and among parents. This has been the area of my greatest interest, and I have taken the first step by introducing national legislation to create a system of "educational performance agreements"—contracts between schools and the federal and



REP. PETER SMITH

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NEW ENGLAND'S CONGRESSIONAL DELEGATION SPEAKS OUT

state governments that would allow schools more freedom to define their own goals and receive the education aid needed to carry them out, without the usual regulatory strings attached. In exchange for more regulatory freedom, schools would have to demonstrate improved student performance under the less restrictive system. This program basically gives local school districts the chance to design their own schools from the ground up, relying on those who know local educational needs best, while preserving student civil rights and equal opportunity protections. This legislation is still pending. However, the House recently adopted a scaled-down version of the proposal as part of the Equity and Excellence in Education Act of 1990.

Why do we have to do all this? Because the world we dominated with our military power will not bow so easily when the battlefield shifts to the workplace and the boardroom. Every permanent economic advantage we have starts with the education of our children. To compete in that environment, we must reach for a realization of our education agenda, and we must begin soon. The class of 2000 is already in school. □

Peter Smith is a U.S. representative from Vermont.



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- Number of cities in New England: 165
- Number of towns: 1,418
- Number of school districts: 625
- Number of U.S. senators and representatives: 36
- Number who are women: 4
- Number who are Black: 0
- Percentage of U.S. House members who win reelection: 98
- Projected net growth in number of U.S. labor force participants from 1988 to 2000: 19,470,000
- Number of those who will be White males: 2,265,000
- Percentage of active college students holding jobs in 1989: 53
- A decade earlier: 46
- Seasonally adjusted unemployment rate in Massachusetts for the second quarter of 1990: 5.6%
- A year earlier: 3.8%
- Percentage of Massachusetts state legislators who hold undergraduate or graduate degrees from Massachusetts public colleges and universities: 25
- Unemployment rate among recent chemical engineering master's degree recipients in 1984: 6.6%
- In 1988: 2%
- Percentage of 1988 Ph.D. recipients in all fields with employment commitments outside academia: 50
- Estimated number of graduate fellowships and traineeships funded by the federal government in 1969: 60,000
- In 1989: 12,000
- Percentage increase in corporate support for public colleges and universities, 1988 to 1989: 11
- In corporate support for independent colleges and universities: 0.4
- Percentage of 25- to 29-year old Americans who had completed 12 or more years of school in 1965: 70
- In 1987: 86
- Canadian enrollment in postsecondary education per 100,000 inhabitants in 1980: 3,688
- In 1986: 4,853
- U.S. enrollment in postsecondary education per 100,000 inhabitants in 1980: 5,313
- In 1986: 5,167
- Number of New England jobs supported directly or indirectly by exports to Canada: 127,286
- Percentage of those that are Massachusetts jobs: 49
- Rank of *parents' lack of interest* among most serious problems in U.S. schools, according to teachers: 1
- Rank of *substance abuse* among most serious problems on U.S. campuses, according to college presidents: 1

Sources:

1,2 Portsmouth-Kittery Armed Services Committee; 3,4,5 New England Governors' Conference; 6,7,8 NEBHE analysis; 9 *Congressional Quarterly*; 10,11,12,13,14,15 U.S. Department of Labor, Bureau of Labor Statistics; 16 The Massachusetts Political Almanac, 1990, NEBHE analysis; 17,18 National Science Foundation; 19 Council of Graduate Schools; 20,21 Association of American Universities; 22,23 Council for Aid to Education; 24,25 U.S. Department of Commerce, Bureau of the Census; 26,27,28,29 United Nations Educational, Scientific & Cultural Organization; 30,31 Canada Department of External Affairs, NEBHE analysis; 32 *Phi Delta Kappan*; 33 Carnegie Foundation for the Advancement of Teaching and the American Council on Education

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*A Black professor urges pluralism
in northern New England*

What's a Nice Girl from Central High Doing in a Place Like This?

GAYLE R. PEMBERTON

I don't know if you find it curious that there is only one modifier for the word *girl* in the title of this piece, but I do. What the title begs for is more specificity. After all, my race is what is noticed about me first. Accordingly, based upon my age—over 35, the region I grew up in—the Middle West, and my ear for the vernacular, I should have changed the title to: "What's a nice *colored* girl from Central High School doing in a place like this?"

There is no question of being a woman, that's too dangerous a name. Nice colored girls behave, do homework, stay home on weekends and watch the late show, and respect their elders. That was me when I was at Central High.

But while I have been a colored girl, I have been others as well. I have lived through four generations of designations for Americans of African descent. My birth certificate from St. Paul, Minn., gives me no race, but calls both of my parents Black. On the original copy, my mother has scratched out Black and printed in *Negro*. When I went to grade school in Chicago, I was a *Negro girl*. But, when I single-handedly integrated a neighborhood school in Dayton, Ohio, I was a *nigger girl*. The next year, when I received certificates of excellence from my fourth-grade teacher, she told me that I was pretty smart for a *colored girl*.

By the time I finished grade school and entered junior and senior high school in Kansas City, Mo., I was a Negro once again, and sometimes called *nigra* or *cullud*. As an American Field Service student abroad in England for my senior year of high school, I was addressed on several occasions as a *Negress*. I remained blissfully Negro for two years in college, but when I transferred to the University of Michigan, I became *Black* for the first time. In this Black phase, my paternal aunt, dying, offered me \$500 and a diamond ring if

I got rid of my Afro hairstyle—something she hadn't seen before. I declined.

Briefly, I was *Afro-American* in the early 1970s. I remained Black until quite recently, when I became a *woman of color* and an *African-American*. My mother, who is nearing 80, had two responses to the phrase "woman of color." The first was, "Well, dear, what color is she?" and the other, "Don't you really mean colored woman?"

The point of all this, of course, is to demonstrate autobiographically how cultural expectations are linguistically reinforced, and how the lexicon of names for people like me reveals how uncomfortable this culture is with race.

In coming up with the title, I thought how a Black woman, born in the Middle West at mid-century writing about higher education in northern New England, herself representing one of the region's colleges, is not an unthinkable or bizarre occurrence; it simply is highly unlikely.

Life at Central High has changed since I was there. My classmates and I experienced an extraordinary window of opportunity, and we made much of it. In 1960, when my sister graduated from Central, there was much racial tension. White families left the area and still other White students were bused in. Two years later, when I began my first year, the entire neighborhood had been completely resegregated. Many teachers—both White and Black—left with White flight; many stayed, maintaining for a few more years the academic ex-

cellence that had always marked Central as one of Kansas City's better public schools.

My education did not have the hysterics about it that Black and Latino education has now. My classmates and I did not perceive ourselves as social problems. We certainly didn't go around calling ourselves "minorities"—and nobody called us minorities. We felt that opportunities long denied us were being granted and that we should take advantage of them. We went off to colleges, the first wave of Black students in White colleges. We fully expected to compete as equals with our White classmates, and we did.



Pemberton: *There's a minefield ahead...*

*We seem to be moving farther apart,
distrustful of our rhetoric
for a better future.*

Many things also have changed since the college class of 1970. And while I may long for the reappearance of some aspects of those times—namely, my youth combined with what I know now—I am not suggesting that we can recapture the idealism or the innocence of those times. Some of my classmates died as Black Panthers, some in Vietnam, some of despair and failure 20 years later. We nice colored girls tried to become enduring Black women; the colored boys became endangered Black men.

The children of my generation—some of them half-believing that they are inferior and that they can do no better than provide diversity for someone else—are confused about education, so not enthusiastic about it. Some of the

children of my White classmates, in the name of entitlement, have unearthed a range of stereotypes many of us thought had died years ago. Newcomers to the United States, from the Caribbean and Southeast Asia in particular, unaware of the customs here, have found themselves targets of rage and discrimination. We seem to be moving farther apart, distrustful of our rhetoric for a better future.

*Pluralism has us
discover our similarities
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differences.*

This is not to say that we should not be idealistic as we attempt to provide a new vision for our campuses and our society. The fact is that before we can effectively discuss or create strategies for achieving cultural pluralism on our campuses, we must destroy the molds that house expectations about ability, background, values and dreams. It's an enormous task, but if it is to happen at all, it must start in our schools.

Indeed, we need to ask ourselves what we mean by *pluralism*. Is it the same thing as *diversity*? Are we telling students that they should merely tolerate cultural differences or that they should learn to appreciate them? Does pluralism suggest that all manifestations of cultural difference carry the same weight, intellectually and morally? How can we impart to our students the necessity and appropriateness of pluralism, when many of our faculty and staff members doubt the efficacy of any plans we might make and are themselves unwilling to reassess their own attitudes? There's a minefield ahead, even before we have brought all of those diverse bodies to campus.

When I think of pluralism, I think of W.E.B. Du Bois, because he was such an astute thinker on the topic—a man whose greatest hope was for Black Americans to live in a pluralistic society. In his 1940 book *Dusk of Dawn*, he defines his vision of the problem, writ-

ing: "The majority of men resent and always have resented the idea of equality with most of their fellow men. This has had physical, economic and cultural reasons: the physical fear of attack; the economic strife to avert starvation and secure protection and shelter; but more especially I presume the cultural and spiritual desire to be one's self without interference from others; to enjoy that anarchy of the spirit which is inevitably the goal of all consciousness. It is only in higher civilized times and places that the conception arises of an individual freedom and development, and even that was conceived of as the right of a privileged minority, and was based on the degradation, the exclusion, the slavery of most others."

Du Bois ends his litany of bias and cruelty in the world by revealing an idealistic hope for the future. His tone and style are dated, but fitting to our concerns: "The present attitude and action of the white world is not based solely upon rational, deliberate intent. It is a matter of conditioned reflexes; of long followed habits, customs and folkways; of subconscious trains of reasoning and unconscious nervous reflexes. To attack and better all this calls for more than appeal and argument. It needs carefully planned and scientific propaganda; the vision of a world of intelligent men with sufficient income to live decently and with the will to build a beautiful world."

What we as educators and public servants are asking ourselves to create is that "scientific propaganda" aimed at encouraging our students and ourselves to build a beautiful world. Perhaps it might be as simple as suggesting that pluralism means that we are in accord about the final goal and we are willing, without bias and cruelty, to negotiate the various means to it.

We cannot do this, however, if our hope for a more diverse student population means that we are unwilling to define why pluralism is important for all of us.

A recent sociology project at Bowdoin College revealed a persistent notion among White students that students of color were at the college to "provide diversity"—what I call local color. Hence, diversity is a job for the "others." The majority of White students polled had never gone to the Afro-American Center on campus, did not know about the Asian Interest Group or

the Hispanic Student Association and had scant knowledge of their functions. The standard stereotypes remained in place, and this at a college that has had the most energetic schedule of multicultural events within the last two years that I have encountered in my career.

The poll results prove that programming alone can do little to alter cultural stereotypes. They also indicate that most White students believe that diversity is important only to those who already have a vested, personal interest in it—those who are of color. Having students from all backgrounds recognize that they are part of the diversity equation is fundamental and it should begin with admissions counselors and be continued by faculty in the classroom and advisers. The rationale for pluralism should appear in an institution's view book and other literature. And multicultural programming needs to address issues that are relevant to current campus issues.

*It is terribly important
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In a program called "Different Americas, Different Americans," we invited three speakers to Bowdoin over three consecutive evenings. The first was a prominent Latino journalist and former academic; the second was a Black lawyer and orator; the third, an Asian-American filmmaker. Unfortunately, very few people attended all three talks, but the handful that did heard these three very different people saying very similar things about growing up in the United States. Instead of appropriating for themselves and their ethnic groups a "my oppression is worse than yours" form of exclusivity, they all talked of those things that unite different people. Pluralism, then, has us discover our similarities as it encourages understanding of our differences.

It is terribly important that White students discover that the greatest polarities of diversity exist within their own group—definitely in northern New England because of their superior numbers.

When I was a freshman at a small college in Illinois, I immediately made friends with two women from Denver, both White. I subsequently visited each of them in Denver. One came from a wealthy family. She had one younger brother, attended a posh all-girls high school where everyone was a debutante and had some sort of summer accommodation in Vail or Aspen. Her mother liked Vodka; her father was very, very busy all the time. She had traveled abroad and she drove an orange BMW 2002, called Baby.

The other Denver classmate lived in a two-bedroom bungalow with her parents and two younger brothers. Both of her parents worked at a luggage factory and both were replaced by machines during my classmate's time at college. Her father, a physical culturist/body builder of the late '40s and early '50s, every evening brought home a case of Coors and, sitting on the floor smooching with his wife in their tiny living room, proceeded to drink one can after the next until the case was empty.

It is not difficult to understand why these two people never became friends. Their personalities were thoroughly incompatible. I felt that they represented extremes of living. My Black family life was far more representative of the perceived "norm" of an American family than either of theirs. Our values—modeled somewhere between Ben Franklin's and Du Bois'—were at the center of the bell curve. Nevertheless, these young White women were thought to have more in common with each other than they possibly could have had with the nice colored girl from Kansas City, and they had been conditioned to believe that was so.

Higher education should take the lead in defining pluralism and our desire for it, because Madison Avenue, Hollywood and the popular press are doing a dreadful job of it. The complex meanings of our changing society can be watered down only so far into the clichés and slogans that frequently pass for news, information and entertainment.

Perhaps we hesitate to do the defining job not just because it is difficult, but because we fear that our efforts will be called *politics* and we, as educators, are supposed to be above *politics*. But great ideas are political by definition because they have to do with human interaction, public and private. Our students will remain confused, and incidents of bias will continue, if we cannot demonstrate to students that beautiful worlds can be created only by hard work and with everyone sharing the responsibility. I am convinced, for example, that most of the students who commit bias crimes are incapable of articulating precisely what it is they think they are protecting when they lash out at people of color. What does White culture mean to them?

We should invest more time and energy in our curricula in asking students collectively to solve societal problems, to help them understand the histories, dreams and frustrations of the many different kinds of people whose lives have been woven into the fabric of the United States. The continuing debates about sacred canons and reformed canons are fundamentally political, having to do with power. Asking students to apply ideas to real problems can help bring the debate back to earth.

Northern New England may be predominantly White now, but there is no guarantee it will stay this way—just as it is unlikely all of our students will remain in this predominantly White region. And while it is not uncommon for a New England student to have never spoken to a Black person or known a Black, Latino or Asian-American family before going to college, it is inexcusable for that student to leave college without having had the opportunity to engage intellectually and personally the realities of those different American lives.

There should be a greater outreach to poor Whites of this region, who suffer from similar stereotyping. We might try undoing some of the "divide and conquer" tactics of the Old South and the Old North in assuming that all poor Whites are racists, religious fundamentalists and political and economic ciphers. The Egypt, Maines, the Tobacco Roads and the Dogpatches are certainly part of our cultural fantasies, and the stereotypes tell us that certainly

all poor Whites come from them and of course, no culture has ever existed in these godforsaken places. I have been teaching for 16 years, and until quite recently, I could count on being asked by a poor White student, usually male, to lend a sympathetic ear because he was in pain from being excluded from the campus mainstream. On a couple of occasions, I have heard colleagues speak of poor and culturally naive White students with a contempt that bordered on the obscene and that shocked even my wary and numbed sensibilities.

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Contrary to many stereotypical expectations, poor White students frequently are very sympathetic to students of color and feel a natural affinity with them. My parents, both alumni of the University of Minnesota, were present when I received my master's degree. My parents were standing at a reception after the conferral, talking to each other, when they were approached by the parents of a White senior I knew. He was poor, from the far West, and both of his parents worked as janitors. They saw my Black parents across the room and made a beeline for them. I knew nothing of their attitudes about race. But they had calculated quite correctly that they were marginal in that elite Harvard group, and they might as well stand around with the other marginal ones. I'm glad my father, a career Urban League man, was in the race-relations business; by the time I reached the foursome, they were laughing.

A few years ago, the dean of literature, science and the arts at the University of Michigan made a well-publicized gaffe when he said words to the effect that Michigan was not some Wayne

State or Howard University, but it was a place Blacks should be eager to come to, to receive the greatness the university has to offer. It did not occur to him that Blacks might bring something to the university to enhance it. He was actually giving a pep talk to staff about going out and recruiting Black professionals for university appointments. The damage he did was in perpetuating several elitist notions that serve only to separate people—White people from people of color, poor people from economically secure people, underprivileged from privileged. At the time he made his statements, some of the more ugly bias incidents of recent times were being played out at Michigan. I ceased to wonder why after I read his remarks. Everyone is concerned about best this and best that, lists of who's good and who's not, but few people are asking best because of what, or for what, or why?

I recall watching the evening news when every night something you thought could never happen did happen two hours before in Berlin, Budapest or Prague. In the scramble to order these events, many an expert was called upon to deliver meaning. I'll never forget the words of a fairly high-ranking member of the Soviet Politburo. Dan Rather asked him, essentially: "What should the United States do now?" He replied, "You Americans don't know what to do without any enemy." It struck me as thoroughly correct, but I didn't know why. It was so terse and seemingly so precise. Then, perversely I thought about Walt Kelly and Pogo and "we have met the enemy and he is us" and how principles and policies concerning how we might better live together have very rarely been articulated by our national leaders. Indeed, to even think about doing it is an invitation to dirty tricks and a boot out of office. We have not done all that well, even when we know the enemy.

I make this seemingly bizarre connection only to reinforce the importance of our mission. We have been our own enemy for too long. We're daily being eclipsed by others in this world who are struggling to change the old, the "habits, customs and folkways" that have always meant inequity, bias and cruelty. We would be wise not to snicker or castigate them for their failures—

because some are inevitable. We would be wise to follow their lead, risking failure, trying again. That's what America is supposed to be about anyway—at least that's what I heard when I was a nice colored girl at Central High.

I remember the glorious enthusiasm and hope that my classmates at Central held about the future. For us, and our future, many had sacrificed their lives or health to the civil rights movement by the time of our high-school graduation in 1966, and we knew it. Many more sacrifices were yet to come before we were to graduate from college. There was new strife and new protest that ushered in the turbulent 1970s. There were many casualties. Thousands of students failed to graduate, their energies unable to be redirected and supported once they were admitted to college. Many programs intended to aid them were constructed hastily and did not endure.

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when they lash out at
people of color.*

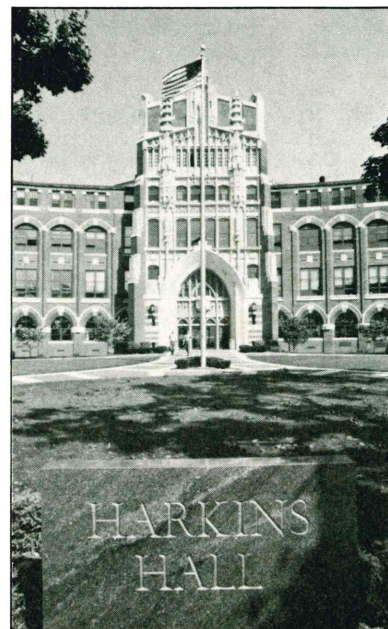
Whatever we do, let us create strategies filled with unalterable commitment to more pluralistic campuses. Let us be willing to forge ahead when we err; let us be modest with our successes, knowing that they will be fragile ones. Let us cooperate with each other and communicate good ideas, recognizing that what works for a large state system would need alteration and tailoring for a small college and vice versa. Above all, let us convince our students that helping to make a beautiful world is the worthiest of activities, benefiting the individual soul, the nation and the world. □

Gayle R. Pemberton is director of minority affairs and lecturer in English at Bowdoin College.

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The Short Course

Especially for Parents

Do You Need It? Chapter

1

With the cost of higher education on the rise, and the availability of federal aid increasingly restrictive, many middle and upper income parents are concerned about their ability to fund their child's college education.

Over the last few years supplemental education loan programs have been introduced as an alternative for students and families whose income bracket or assets disqualify them from using federally supported loans. In the case of parents who have more than one child going to college, it is often difficult to pull together the necessary funds from savings or monthly income to cover education expenses. This is where supplemental loan programs can help greatly in financing college costs.

There are currently several supplemental education loan programs available throughout the country, sponsored by various groups including state agencies, nonprofit corporations, lending institutions, and colleges and universities.

What To Look For Chapter

2

Supplemental loans vary in many ways, but generally they include the following elements:

1. **Eligibility** is based on creditworthiness, not financial need; in other words, there are no upper restrictions on income;
2. **Loan limits** are generally higher than federal student loan programs. Many supplemental loans allow applicants to borrow up to \$15,000 or \$20,000 a year;
3. **Repayment periods** are also generally longer than federal loan terms. Many supplemental loans offer repayment periods up to 15 or 20 years, depending on the amount borrowed;
4. **Interest rates**, although higher than federal student loans, are usually lower than many consumer loans;
5. Although some supplemental loan programs have limited availability in certain states, many of these loans are **available nationwide** and can be used at any accredited degree-granting college or university;
6. Some supplemental loans also give borrowers the option to **defer principal payments** while the student is enrolled in college, and pay interest only;
7. Like most consumer loans, borrowers can make **fixed monthly payments** on supplemental loans. This is a more manageable alternative for parents who have a difficult time paying two or three large tuition bills every year. Most supplemental loans use bond issues or other private funding sources to finance their programs rather than using any federal monies.

Where To Look Chapter

3

There are many different sources that a parent or student can use to find out about supplemental loan programs. One of the best resources is the **college or university** at which the student has been accepted or may be enrolled at some future date. Most colleges and universities have publications available on the types of student financial aid programs that they offer, including federal, state, private supplemental, and institutional aid (aid that the college or university offers apart from other programs).

Another source of information on supplemental loans may be your **public library**. Many libraries have established extensive resources on the different types of financial aid available, including supplemental loans. Libraries will also have financial aid resource books that list sources of aid by geographic area, institution type and other factors.

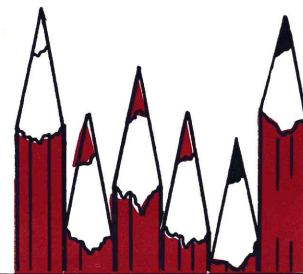
Your state **Board of Higher Education or Department of Education** are other resources to contact for supplemental loan information. They will be able to tell you if there are any state or privately sponsored loan programs that offer non-need based aid for higher education in your area.

Finally, your **high school guidance counselors** may be another resource to contact for supplemental loan and other financial aid information. More and more high schools are beginning to sponsor financial aid awareness nights for parents. If your child's high school offers such an awareness presentation in the future, it's a good idea to attend for more information concerning state or region specific supplemental loan programs that will fulfill your college financing requirements.

In College Financing

From Nellie Mae

Supplemental Education Loans 101



How To Compare Chapter

4

After you have gathered information on various supplemental loan programs, how do you decide which one is both the best and the least expensive option for you? Here are some of the factors which you can compare when looking at supplemental education loans:

1. **Interest rates** should be compared. Find out what the interest rates are based on. Most programs base their rates on the prime lending rate, Treasury Bill rate, or commercial paper or bond issue rates. Also be sure to look at what kind of interest rate the supplemental loans offer, which will be either a variable rate or a fixed rate (some programs offer both variable and fixed rate options).
2. Look at the **repayment terms** on the loan and choose a program that will fit in best with your monthly budget. Check if the supplemental loan programs offer any principal deferment options which may help ease cash flow during the student's in-school period.
3. Most supplemental loans have **upfront fees** such as an application fee, guarantee fee, insurance fee or origination fee. When making your comparisons, look at the fees that each charge and add these into your loan cost calculation. An application fee is usually paid at the time the application is sent in and isn't refunded if the loan is denied. Application fees usually run between \$30 and \$50. Guarantee, insurance and origination fees are charged on a percentage basis on the total amount borrowed, and are usually from 1 to 8 percent. These fees are paid only on approved loans and can sometimes be borrowed in addition to the approved annual loan amount.
4. Another factor you can use to compare supplemental loans is the set of **credit guidelines** that each program has established. Eligibility for supplemental loans is usually based on the creditworthiness of the potential borrower, which is judged on the applicant's debt to income ratio. It's always a good idea to contact the loan program's customer service representatives if you're not sure what types of monthly expenses the program considers when calculating the debt to income ratio.
5. Lastly, look at any **special options** that supplemental loan programs might offer. For example, some programs have options like a line of credit; the ability to secure the loan with a home mortgage and benefit from tax savings; or use of a tuition prepayment plan, whereby a parent can pay a college or university upfront for several years' costs and avoid year to year tuition increases. If any of the special options fit your needs better than a regular annual loan, you may want to consider this when making your decision on the best supplemental loan program for you.

For More Information

For more information about supplemental loans or ordering copies of "The Short Course in College Financing", please call Nellie Mae's Marketing Department at 1-800-EDU-LOAN or 617-849-1325.

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Connections

Footing the Bill

A Forum on Student Aid in New England

The patchwork of federal, state and private programs that comprise the nation's student financial-aid "system" is not keeping pace with college costs. During the 1980s, the average cost of attending an independent university shot up 56 percent, while total available student financial aid rose just 11 percent.

Loans have replaced grants as the chief source of student aid, raising new concerns about how much debt graduates carry away with their diplomas. Loan default rates among "traditional" four-year college students are consistently low—around 2 percent. But default rates for community college and proprietary school students are consistently high—up to 30 percent.

The federal government provides about three of every four student-aid dollars. But the budget deficit has strained federal programs.

Under President Bush's fiscal 1991 budget plan, the maximum Pell Grant award in the

program would remain at its 1989 level of \$2,300, representing a 19-

percent decline in constant dollars since

1980. The president would eliminate the State Student Incentive Grant (SSIG) program that provides \$76 million for state scholarship programs.

Congress was expected to try to improve on the president's proposal. But the cutting and frequent tinkering, as well as a major increase in total default dollars in federally guaranteed student loans, have prompted some policymakers to call for wholesale restructuring of federal aid programs. Some plans would tie student aid to community or military service. Others would create a new breed of federal loans with lifetime repayment contingent on income. Various federal and state initiatives would give parents incentives to sock away money for children's college education while those children are young.

Meanwhile, state scholarship programs represent a small but increasingly important part of the student-aid picture. Yet with New England states facing tight budgets, the programs have faced all manner of threats, including as yet unsuccessful efforts to bar students from using their state scholarship money at out-of-state institutions. For example, a proposal floated early this year to end "portability" of Massachusetts scholarships

would have cost 4,000 students an estimated \$3 million in aid. The New England Board of Higher Education noted the plan would violate an informal reciprocal pact allowing students from the six New England states, Pennsylvania, Maryland and the District of Columbia to use their scholarships at institutions in any of those locales.

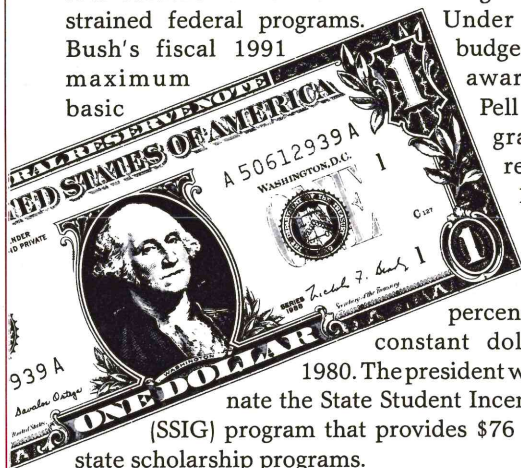
New England students already face special inequities. Federal needs-analysis formulas calculate expected family contributions—and therefore, aid—partly on the basis of home equity. Inflated home values in the region mean New England students and their families are expected to pay more of their own way than are their counterparts in most other regions. An effort in Congress to remove home-equity from the calculations faces stiff opposition. Reason: If more aid goes to students whose families own homes—and the federal aid programs don't receive more overall funding—poorer students will see their support shrink.

The current inequity and the fact that New England is home to some of the most expensive U.S. colleges may be part of the reason New England students borrow more to pay for college than students in any other region of the United States. New England also has the lowest default rate of any region.

The low default rate in the region took on added importance earlier this summer with the news that a major student-loan guarantor in the Midwest was in danger of collapsing under the weight of loan defaults by students attending proprietary schools. The problems plaguing the Kansas-based Higher Education Assistance Foundation have raised questions about the overall soundness of federally guaranteed loan programs as well as fears that other student-loan guarantors would falter. New England guarantors contend they are not in financial danger.

Against this backdrop, NEBHE recently assembled a panel of student-aid experts to discuss the state of financial aid in New England. The panelists were: Elwood G. Farber, executive director of the Rhode Island Higher Education Assistance Authority; Lawrence W. O'Toole, president of the New England Education Loan Marketing Corp.; James A. Busselle, executive director of the New Hampshire Postsecondary Education Commission; and John Madigan, senior consultant with the Higher Education Student Assistance Division of the Finance Authority of Maine. The discussion was moderated by Bennett Katz, chairman of the Maine Educational Loan Marketing Corp., and NEBHE chairman Robert L. Woodbury, chancellor of the University of Maine System.

Excerpts from the discussion follow.



students have the right to take their Rhode Island grant with them.

There is pressure being brought to bear on the authority to change that policy, and say that all the money should stay in state. The purpose of postsecondary education is to broaden the horizons of students, to give them new experiences, to show them what the rest of the world is like. If we start looking inward and say we're going to focus our dollars only in the state and basically force students to stay at home, I think we are going to defeat that purpose.

O'TOOLE:

Over the course of the last decade, there has been a dramatic shift from grant aid to loans. In 1980, about 25 percent of students borrowed under federal programs to go to college. Now 50 percent of students are borrowing, and they are borrowing more money. But generally, we do not see that students are borrowing *excessively* to go to college, considering the lifetime economic advantages of earning a college degree.

Nellie Mae [the New England Education Loan Marketing Corp.] conducted a study two years ago that surveyed more than 2,000 of our student borrowers. We asked them if borrowing and incurring a debt in order to attend college was worthwhile. Did they get the intellectual satisfaction and career advancement

that it was definitely worthwhile. About 10 percent were undecided, and about 20 percent said their experience was not worthwhile and that the debt they incurred created a burden which exceeded the value of their attending college.

We also have found that relying on loans is the last resort for students. Looking at four-year college students and graduate students, our average loan is only slightly over \$4,000. There is a good deal of financial counseling going on in an effort to search out other sources where possible.

Our national association has presented its view to Congress that grant money is very important, especially for at-risk students. More grant aid should be focused on at-risk students, particularly in their first two years of college, when the fragility of their academic experience may result in their dropping out, and their personal situation would be worsened by the burden of a loan default.

It is not high levels of indebtedness which cause people to default. Statistics in Massachusetts indicate that students who have borrowed more than \$10,000 default at a rate of only one-tenth of 1 percent. The average default occurs with the student who borrowed \$2,200—the student who borrowed once and didn't get a worthwhile experience or for other

reasons dropped out of college, but didn't improve his or her economic circumstances as a result of that borrowing, and therefore is unable to repay the loan.

Nellie Mae has studied the impact of inflated home-equity values on New England students' aid eligibility under basic federal formulas.

Basically, the results indicate that New England students are at a substantial disadvantage compared with students in other parts of the country for meeting federal eligibility criteria, whether it be for grants or loans,

because of the inflated home values in our area.

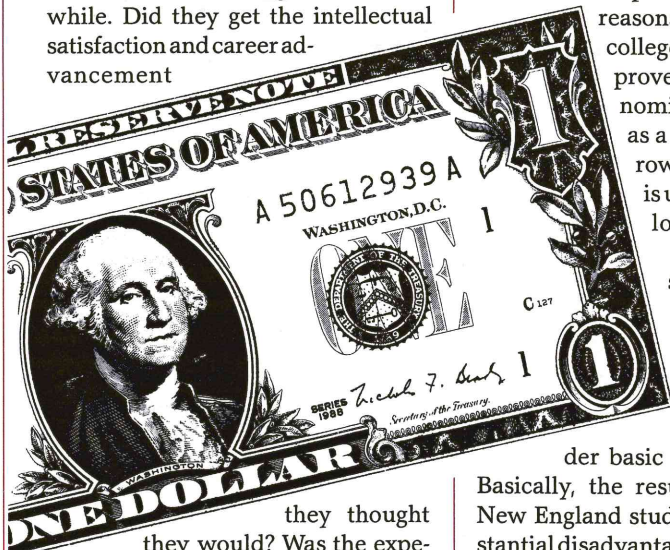
In Boston, an average family of four with a \$30,000 income and two children in college is expected to contribute over \$5,800 for the first student. A comparable family in Fort Lauderdale with the same \$30,000 income is expected to contribute only \$3,400; and in Kansas City, \$2,900. In San Francisco, which continues to be a hot real-estate market, the family contribution is expected to be over \$7,000.

We have shared this study with members of Congress. Senators Pell and Kennedy have both advocated eliminating or restructuring the way that home equity is considered as part of the needs-analysis system in order to eliminate what is a substantial inequity for New England students.

It is not high levels of indebtedness which cause people to default. ... The average default occurs with the student who borrowed \$2,200 — the student who borrowed once and didn't get a worthwhile experience or for other reasons dropped out of college ...

In addition, because of increasing college costs, New England is always at the forefront in advocating that the loan limit established for the federal programs be lifted. I can offer a piece of evidence as to the need for lifting the limits: Nellie Mae provides supplemental loan programs for families whose incomes are too high to be eligible for the federal program or whose financial need exceeds the limits of the federal program. In 1988, we made \$23 million-worth of such loans. In 1990, we expect that figure to rise to \$75 million.

Another issue that I think we are all going to face will be some new delivery systems for low-interest loans, both federal and supplemental. A new program recently announced by



they thought they would? Was the experience sufficient to make it worth the monthly payments? Seventy percent of the people who responded said

Sallie Mae [the Student Loan Marketing Association] and The College Board would centralize all lending activity and loan-servicing activity over the long term. This is challenging what has been a successful model in New England for the past 30 years with lenders providing the capital for students and their families to borrow. Some believe that program has the potential to undermine the stability of the federal programs because of the way it is structured and the way it will exclude a large number of banking institutions from participating. Others see it as the wave of the future. ...

Nellie Mae is addressing the needs of at-risk students in New England, trying to create aspirations among those students and the means to go on to college. We are targeting about \$1 million over the next three years, which will be contributed to programs to reach at-risk students in New England. One million dollars over three years is a lot of money for a private, nonprofit. But it is the kind of effort that our board supports.

BUSSELLE:

It is quite clear that there is a crisis in financial aid, with an actual decline in real dollars occurring on the federal level. I don't think any state has been able to bridge the gap with increased state aid.

What is most frightening to parents is the reality that college costs are outstripping growth in family income. During one four-year period in the 1980s, average tuition rose 49 percent at public colleges and 56 percent at private colleges. Family income during that period rose only 26 percent. The College Board projects average tuition in the year 2005 to be \$17,000 for four years at public institutions; \$88,000 at private institutions and \$140,000 at selective institutions.

Each state probably will address this problem in its own way, and we all have to deal with the political realities that exist in our states. In New Hampshire, a survey conducted by the Becker Institute concluded that the business community, the

public and the politicians do not put a high priority on improving higher education or increasing higher-education funding. The prevailing attitude is that "education is just fine in New Hampshire; we're doing enough, the results are good enough, and we don't need to put any more money into it."

In the 1980s, when there was money, we encountered the political reality of a strong governor who did not like traditional, need-based student-aid programs. Governor [John] Sununu told us that if we could devise a program that would use state dollars to leverage private contributions for student aid, he would support additional funding. The commission proposed the "Governor's Success Program." The program itself has been very successful and is now in its third year.

Under the program, money is distributed to New Hampshire colleges, based on enrollment, to be matched with private funding. This put pressure on some colleges that had never done much fundraising to begin doing so. The private match doubled the impact of the state appropriation.

Aid under the program can be based on need or merit or both as defined by the school. Only New Hampshire citizens who completed their freshman year are eligible. As a result, the financial-aid officer can have some idea whether a student is going to succeed or not. Other than that, there are no restrictions on eligibility and no restrictions on the size of the grant as long as it does not exceed the cost of education. The concept was that since the state was requiring colleges to raise matching funds, we would not put a lot of bureaucratic restrictions on them, other than to assure that they do raise the money and follow simple guidelines.

This has worked very well. Yet it is about as far as it seems we can go in the grant process, and it still leaves a huge gap. So about the only thing we have found that we can turn to, in addition to greater borrowing on the part of students and parents, is an

effort to foster increased parental savings for higher education. In a sense, we have completed a cycle. Sufficient grant aid is not politically feasible; there is a general consensus that borrowing should not increase a great deal; and therefore, we have focused again on the importance of parental contributions. We are doing that through the issuance of \$40 million in zero-coupon, gen-



eral obligation

state bonds. The return should be fairly good, given the state's high bond rating. If this is successful, it will be repeated. This is not a total answer by any means, but it should help.

MADIGAN:

A couple years ago, the Maine Legislature and the administration decided that the process of providing student assistance to our citizens needed a good look, and they came up with some very interesting ideas. First of all, they decided that "one-stop shopping" would be very helpful to the student. At the time, there were about seven existing programs for student assistance, including a \$1.7 million state scholarship program; a \$1.9 million loan program (loans that could be 100-percent forgiven for return service in teaching); and a \$1.3 million health-professions loan program (loans that could be forgiven or partially forgiven for return service in Maine). There was also the administration of the Stafford Loan (formerly the Guaranteed Student Loan) program, as well as some smaller federal programs.

Many of these programs had been run by the Department of Education. There was some thought that if the

state could put these programs under the direction of an authority, perhaps the programs could respond more quickly to changes in circumstances and operate more efficiently. The state considered creating a separate authority, but ultimately put the programs under the Finance Authority of Maine, an existing authority responsible for low-income housing loans and small-business loans.

Three new ideas also have been discussed, and legislation is still needed to get these fully effected. One is an outreach program—an effort to go out and find students who would benefit from higher education; encourage them to get on the track early so they would be prepared for higher education; and attempt to find resources to help them pay for college if they are unable to do so. Another is a program to offer tax benefits to parents who start saving while their children are young. Then there is something we call the "loan of last resort." This would be a supplement to alternative higher-education loan programs. To be eligible, a borrower would have to have exhausted all other sources of funds for student assistance. ...

Despite a year of very serious revenue shortfalls and difficulty with budgets, the one thing I know of that



survived all the hard looks was a substantial increase in the appropriation for the Maine state scholarship program. We were operating with \$1.7 million last year. For 1990-91, we will be operating with \$4.5 million in state funding. That indicates the very strong support the Maine Legislature and others had for appropriate funding of higher education. Although federal funds under the SSIG program have been cut 18 percent this year, our total program, counting the SSIG funds, rose from approximately \$2 million to \$4.7 million, an increase of 135 percent.

Last year, under our program, the maximum award issued for in-state students going to a public institution

was \$300. For students going to a private institution, the maximum award was \$600. The maximum is now \$500 for students going to a public institution and \$1,000 for students going to a private institution. The reason we didn't increase the awards by 135 percent is that we also now are able to help students whom we could not reach at all in the past.

*The fact is that
if we are looking
for students from
the very lowest income
levels in our society,
we are not really able
to give them the
opportunity to
comfortably pursue
a college education.*

With an overall increase of 135 percent in the scholarship program, and tuition increases at state institutions, for example, of only 8 percent, we should be golden. However, a student who got \$300 last year and gets \$500 this year finds that tuition at the University of Maine, for example, went up \$242. So that student really lost \$42 relative to last year. And I expect there are some equivalent increases in room and board and other fees. In any case, the entire increase in the grant is more than used up with increases in cost.

Another type of problem: When we talk about outreach, we are looking for the student who is not currently tracked for higher education, primarily because of family financial circumstances. I wonder what would happen to the student with absolute zero family contribution based on current needs analysis. If there were a zero family contribution, a freshman student might get a \$2,300 Pell Grant; he could borrow \$2,625 under the Stafford Loan program; he might get a \$1,500 Blaine House Scholarship, which would be forgiven for return service in teaching; he might get a \$1,000 scholarship from the authority if he were going to a private institution. That comes to \$7,425. But costs at the three highest-cost institutions in

Maine—private schools—are running around \$20,000. So that student is already \$13,000 behind the eight ball.

The student can also get a National Direct Student Loan and probably a Supplemental Educational Opportunity Grant from the school. If he happens to be a very bright person, he perhaps could get some sort of academic scholarship from the school. But the chances that he would be able to get an additional \$13,000 from all these sources seem very slight indeed.

The fact is that if we are looking for students from the very lowest income levels in our society, we are not really able to give them the opportunity to comfortably pursue a college education. ...

I remember in the early days of student financial aid when we used to discuss great philosophical questions like: "Should a student who is majoring in music be able to have part of his or her financial-aid package cover tickets to the opera?" This was not an outrageous philosophical question. But today it isn't even a matter of philosophy. We are not able to meet the most basic needs of students.

I think perhaps our society needs to look at the real need to pay for education for all its citizens up to a much higher level than secondary school. Perhaps it will require not just a greater proportion of surplus dollars, but a sacrificial effort to pay for the cost of higher education. If we don't do it, our society is going to fall further and further behind in the world economy and the world culture.

KATZ:

The Maine Educational Loan Marketing Corporation on a smaller level does some of the things that Nellie Mae does so well. We now for the first time in six years have enough financial reserve to cover the needs of our bondholders. We were faced with a question: What do we do with \$100,000 if we want to deal with kids at risk?

What we are doing is this: We have

identified the 4,000 people—and they are not young kids—who this year were giving the GED (General Educational Development) diploma on their adult-education forms. These are "kids" at risk. They are low-income people by and large. They have been educational failures, but now at this one moment, they are educational successes. We have taken that \$100,000, the University of Maine has put \$100,000 into the kitty, and the technical colleges added \$70,000. That gives us \$270,000, and it is going to be grant money—no needs analysis, no full-time resident students. We presume that this little corner of the market is comprised of working people going to school part-time, so we are going to pay for up to six credit hours, paid in full, pay their fees in full and give them a \$50 per-course allowance for books.

The point is that there is lots of room in this market for little independent efforts. You don't have to solve all the problems of the world.

But we feel that we will attract hundreds of these people in the first year. This will have a great influence on the younger members of the family. We will have created, to some extent, additional families with an orientation to higher education.

BUSSELLE:

I would like to ask Woody [Farber] what he feels is the future of scholarship portability in New England. This is very important for a state such as New Hampshire, which is a net importer of students. Some private institutions draw as many as 90 percent of their students from out of state. Even the University System of New Hampshire derives more than one half of its tuition revenue from out-of-state students.

FARBER:

The private institutions should be arguing very heavily for the portability of grants across the United States,

because their future depends on the diverse population they can draw from across the United States.

Public institutions should be arguing from a totally different standpoint. The more out-of-state students they draw, the more that helps their budgetary problems, because out-of-state students always pay more toward the full cost of education than in-state students. If the portability of grants is eliminated, public institutions are going to receive more in-state students, who say, "Well, by law, I can't take the grant with me, so I'll stay in-state." And in Rhode Island, for example, the public institutions have a mandate that they will take all eligible Rhode Island applicants. If those Rhode Island applicants enroll in a public institution, they are going to pay only 21 percent or 22 percent of the cost of education. The institution is going to be in worse financial trouble than it would be if it were drawing from an out-of-state population.

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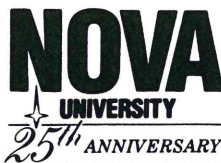
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I think if both the public and private institutions are able to put forth those arguments in an articulate fashion on a regionwide basis, we should be able to succeed in overcoming this threat.

MADIGAN:

There is another aspect of this portability problem. If a number of students came to the University of Maine, for example, with money from another state, and suddenly this year, they do not have that money, those students come with greater need. The receiving institution, let's say the University of Maine again, has an obligation under federal regulations to look at those students in terms of their need in the disposition of its federal funds. As a result, federal money that might have been used in a particular way, for instance, to help in-state students, now has to be spread even more thinly over these additional students who are coming without resources they had in the past.



KATZ:

Let's talk about the student financial-aid officer. I have the impression he is not very high up on the hierarchy. What kind of unique problems are involved in the life of the financial-aid officer? And what is the relationship between that person and the admissions officer?

MADIGAN:

I think the relationship between financial aid and admissions has changed over the years. At one time, the financial-aid office was independent of the admissions office. But as the pool of potential applicants got smaller, we entered the years of what is now called "enrollment management." We don't have "admissions

officers" anymore; we have "enrollment managers." And somehow an awful lot of financial-aid offices and officers got placed under the director of enrollment management. What used to be awards to students to meet their needs suddenly became awards to students to meet the needs of enrollment. That is a very unfortunate situation, because it is not increasing opportunities for people to go to school, it is simply paying the bills for people the institution wanted in the first place.

I always believed that the basic problem was that the student-aid officer had no traditional role on the campus. Campuses always had directors of admissions and registrars and, for a long time, placement officers. They weren't sure if this new kid on the block, the financial-aid officer, worked in the business office or just what his function was. But he had something to do with money, and that was not something people liked to talk about in those days. At two universities I worked for, I told my presidents, "You do not ask me enough questions." The total dollars that I controlled at the University of Maine were equivalent to one-quarter of the entire institution's budget.

KATZ:

What kind of new products do you see in the offing?

O'TOOLE:

Starting this year, people can buy U.S. Savings Bonds for purposes of education and not have the tax consequences that would otherwise apply. One problem is that the income constraints placed on that program to minimize tax losses to the federal government mean that lower-middle-income people are the only ones eligible to buy these bonds and escape the tax consequences. And they are the people who are least able to buy the bonds.

One of the major benefits of an attractive, sensible savings program is that it relieves a lot of the pressure on federal, state and institutional grant

programs to meet the needs of the middle class. If you can effectively encourage the middle class to save early on and regularly, then you can better target the available grant dollars to the neediest students.

WOODBURY:

People are always coming up with horror stories about families who hide their assets in order to take advantage of the financial-aid system. What is the perception of "fairness" of the basic financial-aid system in this country?

MADIGAN:

I think there are some false perceptions about fairness, and there are correct ones. Very often, a parent would complain, "Gee, I saved \$5,000 for my children to go to college. That fella down the street didn't save anything, and you're going to expect me to use my \$5,000." Well, yes we are, because that's what it was saved for. The idea behind most of the student-assistance programs, other than rewarding pure scholarship, is to help those who could otherwise not go to college. That has an appearance of unfairness in the eyes of those who are able to support their children or who were frugal or conscious of their future needs.

But I have had occasions where people have written to me and said, "I know my neighbor next door just received student assistance for his child, and I happen to know that he owns a house and he has this and he has that ..." I would look up the neighbor's Financial Aid Form and see just what the situation was. Very often, I would find that yes, he owns a house, he has \$5,000 equity in it and \$130,000 mortgage on it, and he has a car that he bought four years ago. ... Some of the perceptions of fairness are based on someone's *interpretation* of what his neighbor has. I do think there are opportunities for people to cover up assets and income and so forth and get away with it. But I have the feeling that the process is as fair as most things in our society. □

EC '92: Strategic Implications for Higher Education

ELEANOR M. McMAHON

As Craig Lambert recently noted in *Harvard Magazine*, 25 years ago, many academicians scoffed at Marshall McLuhan's prophecy that the ascendancy of electronic communication would unify the world into a "global village." The ranks of the scoffers have thinned considerably, particularly over the past year. As Lambert puts it so neatly: "The global village is here and its rhythms will grow steadily louder, becoming a backbeat to virtually every aspect of life through the 1990s and into the twenty-first century."

The central goal of EC '92 is the creation of a barrier-free trading zone of 320 million people, with expected gains from economies of scale and the positive effects of intensified competition.

The European Community (EC) "Project 1992" or "Single Market Initiative" is reflective of McLuhan's prediction of a global village. The initiative seeks to create a single, integrated European market by removing all obstacles to the free movement of people, goods, services and capital by the end of 1992. This goal was originally embodied in the Treaty of Rome, but began to move toward reality with the adoption of the 1985 White Paper and the passage of the Single European Act in 1987.

Economists have noted two major stimuli to the development of the 1992 initiative: The first was the economic stagnation which occurred from 1980 through 1987 in the EC economies, which in that period created only 1 million new jobs vs. 18 million in the United States. The second was an eco-

nommic growth rate of only 1.7 percent per year in the EC economies, stemming from high production and administrative costs and resulting in a loss of international competitiveness. These factors made it difficult for EC companies to compete in international markets and, in turn, led to lagging research and development.

The main purposes of the 1992 initiative are to remove three major trade barriers: physical or border controls, technical or regulatory controls and fiscal or tax barriers. Put simply, the central goal of the plan is the creation of a barrier-free trading zone of 320 million people, with expected gains from economies of scale and the positive effects of intensified competition. The plan apparently has already had an impact on U.S. businesses; U.S. exports to the EC grew by 30 percent in 1988. Concomitantly, EC companies apparently have focused on the United States, with exports in 1987 up 6.7 percent or \$87 billion over 1986.

What are the implications of EC '92 for higher education in the United States? Two early studies, one regional and one national, provide a solid foundation for this inquiry.

Two studies

In a 1987 report on *The Global Economy and Higher Education in New England*, the New England Board of Higher Education concluded that "the impact of economic globalization on higher education is quickening and growing." NEBHE examined the programs of more than 40 institutions of higher education in New England and their respective roles in preparing students to participate effectively in a global economy. The study looked in particular at manifestations of change in what it termed the "internationalization at New England colleges and universities and the extent to which change is linked to the coming of the global economy."

Two broad conclusions emerged from this initial NEBHE study: First, "internationalization" is becoming one of the most powerful substantive developments in American higher education. Second, while both New England's economy and New England's colleges and universities are, in fact, becoming increasingly international, these developments have been weakly connected. That is, they have proceeded on a more or less *ad hoc* basis, rather than because of conscious concern about the

relationship between international education and economic development.

The NEBHE study concluded that while economic globalization of higher education is quickening, the challenge of providing the new understanding and competencies required in a global economy lies ahead. The report notes a number of problems in terms of the internationalization of curriculum, such as a shortage of international business faculty and case-study material and the absence of a business perspective in courses on the global economy.

In a 1988 report, the Council on International Educational Exchange (CIEE) reiterated, with some variations, the concerns expressed in the NEBHE report. The CIEE saw the role of colleges and universities as critical to the changes called for in international education in the United States.

While both New England's economy and New England's colleges and universities are becoming increasingly international, these developments have been weakly connected.

Reinforcing NEBHE's call for comprehensive planning and integrated structures, the CIEE report urged that international education be made the explicit responsibility of a high academic officer in every institution of higher education. It noted that most students studying abroad in 1988 were studying liberal arts and humanities, whereas global competence was seen as requiring expanded study abroad in areas such as mathematics, science, medicine, business and industry, technology, international affairs, economics and education. CIEE argued for: expansion of study-abroad programs to a full year; internationalization of the faculty; and, in the expanding context of accountability in which American higher education now operates, systematic review and evaluation of all aspects of international education. Recognizing that all of this would require funding, CIEE suggests the redirection of internal funds and ex-

panded external fundraising, drawing in particular on the private sector's rising interest in the internationalization of the economy.

As colleges and universities form partnerships for the improvement of elementary and secondary education, they should keep in mind the importance of building a foundation for international education at those earlier levels ...

Does all of this suggest any other items that should be on the agenda of American colleges and universities? I would suggest that as colleges and universities form partnerships for the improvement of elementary and secondary education, they should keep in mind the importance of building a foundation for international education at those earlier levels ...

ation for international education at those earlier levels through expanded study of world geography and foreign cultures and languages. I would also note the challenge of developing any major new initiatives, given the context of fiscal constraint in which most of our higher-education institutions are now operating.

Suggested directions

In an attempt to synthesize and reinforce NEBHE's and CIEE's recommendations, I would urge that higher-education institutions consider the following steps essential to a comprehensive and effective international program:

- Develop an institutionwide plan for the internationalization of curriculum.
- Establish a centralized administrative structure responsible for international programs and related services.
- Create an incentive fund to encourage international program initiatives.
- Include international education as an essential part of general education.
- Expand the curriculum focus on Western Europe, the Soviet Union, East-West relations and the global economy.
- Prioritize subjects to be internationalized, such as business, engineering, political science and economics.
- Expand foreign-language study with an emphasis on spoken language.
- Expand study-abroad programs with particular emphasis on internship programs abroad and on interaction with foreign students.
- Develop continuing-education and executive-training programs in international business.
- Set specific institutional goals for enrollment in international programs.
- Promote projects which involve international intellectual collaboration as well as the exchange of scholars.
- Develop inter-institutional international programs and initiatives.
- Seek partnerships with business for the purpose of expanding international economic development and garnering financial support.
- Examine institutional patterns of teaching to ensure that those involved in international education are rewarded appropriately.
- Assist elementary and secondary schools in internationalizing their curricula, preparing teachers with international knowledge and expanding teacher and student exchanges.
- Regularly evaluate the effectiveness of international-education programs.

This brings us to a point made this past year by Derek Bok, president of Harvard University. Addressing the Harvard Institute for Educational Management, he reminded administrators: "If leadership means anything, it surely means the ability to perceive important opportunities that matter, coupled with the skill and the energy to try to overcome the obstacles to achieving those visions." The emerging global economy is one of those opportunities. □

Eleanor M. McMahon is a distinguished visiting professor at the A. Alfred Taubman Center for Public Policy and American Institutions at Brown University, and the former commissioner of higher education in Rhode Island. This article is based on a paper McMahon gave at a conference of U.S. and Western European college and university administrators held in July in Preston, England. The conference was sponsored by the American Association of University Administrators.

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