

Reform a requisite for education and Oregon's economic future

When Congress created the GI Bill after World War II, it changed the face of American education and the U.S. economy. College became accessible to millions of Americans who had never dreamed it was possible. Education achievement in this country grew by leaps and bounds, as colleges and universities produced workers for a thriving American industrial base that led the world in economic development.

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IN OUR
OPINION

That was some 60 years ago and times, sadly, have changed for the worse. Today, it's harder for young people to go to college because higher education is in crisis, across the country and here in Oregon. The severity of this issue must be recognized and dealing with it should be a top priority of the 2011 Oregon Legislature and Gov.-elect John Kitzhaber.

The United States ranks 10th in the world for higher education attainment. The current generation of young people is expected to be less well educated than the baby boomers now starting to retire, a stark reversal of the improvement trend begun with the GI Bill.

In Oregon, we've fallen below the national average in educational attainment for ages 25 to 44. We pride ourselves that Oregon's livability is a magnet for young, smart people who move to Oregon from elsewhere, but we're falling short in terms of educating the youth who grow up here. And if we believe today's Oregon students are our work force of the future, this decline in educational achievement means that, in an increasingly global economy, Oregonians will be less prepared to compete for quality family-wage jobs, both internationally and at home.

Why is Oregon falling behind? There are a number of factors. Tuition at Oregon universities has grown an average of 8.3 percent per year for more than a decade. Students' share of costs has risen from 29 percent in 1998 to more than 55 percent today. Oregon's financial support for higher education ranks near the bottom nationally, and, given projections that the state faces a decade of budget shortfalls, there's little hope of reversing this trend anytime soon.

Although the Legislature provides just 17 percent of state university operating costs, lawmakers continue to exercise near total control over university budgets, tuition policies and even programs. The level of legislative control limits the universities' ability to innovate, reduce costs and find alternative sources of revenue. The net result is a system that soon won't be able to deliver affordable quality education to Oregon students.

The system is facing a crisis. The old solution of raising tuition to offset declining state funds just can't continue if we want to keep college accessible for Oregon students. That's why the state's four

major business organizations — Associated Oregon Industries, the Oregon Business Association, the Oregon Business Council and the Portland Business Alliance — have joined forces to call on the Legislature and the governor to reform the state's system of higher education to address this crisis.

We support the proposal put forward by the leaders at the Oregon University System to change how higher education is administered in this state. Instead of having the Legislature micro-manage university budgets and administrative functions, OUS proposes to allow the university system more flexibility to meet education goals.

Most state legislatures have moved their universities out from under direct legislative control. It's time for the Oregon Legislature to do the same, loosening reins to give the Oregon State Board of Higher Education the authority — and responsibility — to manage our public universities to a higher standard of quality and output.

We believe a strong, centralized higher education board will always be important to set standards, allocate funding and ensure coordination among the individual schools. At the same time, proposals from some universities to allow for greater local autonomy and localized boards also are worth looking at.

The OUS board proposal gives a small nod to the concept of more localized autonomy for some universities, but what conditions would allow the formation of a local board or what authorities that board would have remain unclear. While reforming the Oregon University System as a whole, releasing it from its state agency status, should be the focused priority in the 2011 session, we also believe that defining how and when local autonomy might occur should be addressed by the governor, the Legislature, the OUS board and the seven universities in a subsequent evolution of the state system. This process should be done in a way that gains concurrence from all seven university presidents and moves the system toward a common plan that will benefit all of Oregon.

As the start of the 2011 legislative session draws closer, we're encouraged that all signs point to serious consideration of higher education reform. John Kitzhaber has indicated he wants to take it on. A legislative task force has developed a proposal for the full assembly, and all of the state's higher education leaders are putting their best thinking into moving a plan forward.

Lots of issues remain. Higher education reform undoubtedly will be a multiyear process, with each step building on a foundation we begin in 2011. But we can begin making progress, starting today, toward restoring for Oregon's youth the promise of an education that will lead to a better life, as so many in generations before them had.

Kerry Barnett represents the Portland Business Alliance. Margaret Kirkpatrick represents Associated Oregon Industries. David Roy represents the Oregon Business Council. Ruth Beyer represents the Oregon Business Association.