

THE CRISIS IN IDAHO HIGHER EDUCATION

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American Education Losing Ground in the World

When I attended the University of Copenhagen as a Rotary Foundation Fellow in 1966-67, I learned that only 8 percent of young Danes graduated from gymnasium, the rigorous 3-year professional preparatory school system. These graduates were then qualified to go on to business school, medical school, the teachers college, or the two universities.

I returned to Denmark in 1971 for a year of university teaching, and then went back again for two sabbatical leaves in 1978-79 and 1985-86 in which I also did some teaching. My Danish students--capable of reading assignments in English, French, and German--were the best students I've ever had.

Today Denmark has seven universities and 40 percent of adult Danes have a post-secondary degree. There is no tuition and single students who keep up their grades receive \$800 each month from the government.

The U.S. used to be the world's leader in education at all levels, but we now rank 14th in high school graduation rates and our students continue to do poorly in international assessments.

We have now dropped to 10th place in terms of the number of 25-34 year-olds who have a college degree. Our graduation rates rank 15th among 29 nations right next to Turkey and Mexico. Only 25 percent of Idaho's high school graduates receive a college degree, one of the lowest numbers in the nation.

The U.S. also has the highest college and university dropout rate in the world. We are the only industrialized nation with a declining college completion rate. It is estimated that at the current rate the number of American college graduates will drop from 40 to 29 percent. We will then face the depressing fact that for the first time in history Americans will be less educated than their parents.

When I graduated from Oregon State in 1966 I knew very few students who had to work while going to school. I also knew very few students who took more than four

years to graduate. Today this is a common occurrence and I know very well how it affected my students' academic performance.

The Idaho State Board of Education reports that "Idaho's average 6-year graduation rate of baccalaureate students is 42.9 percent." On this score we are the 7th lowest in the nation. The national average is 56.1 percent.

The U.S. is falling behind the rest of the world in graduates in basic science, computers science, and engineering, the professionals that we will need to maintain a competitive economy. It has been estimated that during the 20th Century science and technological expertise was responsible for 40 percent of America's prosperity.

China and India are producing more than a million graduates in these areas per year, and these countries are providing good jobs for these well-trained citizens. India's six Institutes of Technology are among the top 20 Asian schools, and the Indian School of Business in Hyderabad ranks 15th in the world.

In Silicon Valley 35 percent of the companies there are led by Indian entrepreneurs. At NASA 36 percent of the scientists are Indian. Indians are also at the top of American medical practice and research. A day does not go by that I don't hear on the radio or TV an Indian economist talking expertly about the financial crisis.

There is increasingly a reverse brain drain. More and more Asian students are returning with American degrees to work in their home countries. An immigration expert at Duke University estimates that by 2014, 200,000 highly trained Chinese and Indians will leave the U.S.

As our manufacturing base continues to collapse, we will be reduced to a country that will import everything except food and weapons. Without sufficient technical expertise, however, we might just lose our advantage in both of these areas as well. Even with huge number of antiquated weapons we could still continue to be the world's policeman, a very dubious distinction to my Gandhian and Buddhist way of thinking.

The Corporate University and Administrative Overload

Over the past 40 years American universities have moved to a corporate structure that has led to a hugely expensive administrative overload. The most astounding figure that I've discovered was that the budget for the Idaho State Board of Education increased 974 percent since 1988 while the higher education budget increased only 159 percent.

In the three years between 2005 and 2007, BSU had an average of 101 more administrators than its peers, while at the same time employing an average 191 fewer faculty. A request from the faculty union that this imbalance be corrected fell on deaf ears.

At the University of Idaho top administrative salaries have increased 260 percent since 1981, while full professors gained only 196 percent during the same period. The CPI for that period is 215.

Just like corporate CEOs upper level administrators are shifting from one campus to another, staying for a short period, then going on, presumably for higher salaries. At the UI we have had three deans, hired at great expense, who left after three years. Former President Tim White left after five years.

With the hiring of Duane Nellis as the new UI president, ISU and BSU presidential salaries have been boosted to match his. Nellis' \$335,000 represents a whopping 487 percent increase over President Richard Gibb's 1982 salary of \$57,115. Across the nation from 1995-2005 university presidential salaries rose, adjusted for inflation, 35 percent while faculty salaries increased only 5 percent.

While all other UI faculty and staff received little or no raises for most of the new century, the athletic director, with very few wins to his name, enjoyed a 31 percent increase from 2004-2008. Even though he has also won very few games, the ISU football coach received a two-year extension on his contract. A faculty member doing so poorly would not receive tenure.

The four Idaho campus presidents were just granted three-year contracts that will, as the newspaper article stated, "ensure quality, stable, forward thinking leadership." The state board, however, has not done much to retain quality faculty.

Some years ago Rep. Shirley Ringo of Moscow asked me to compile a list of UI faculty who had left for better pay and/or working conditions. My list is still incomplete, but UI departments have been more than eager to supply me with the information. Over the past 20 years, 77 faculty in 20 disciplines have left for other institutions or the private sector. Perhaps some of these professors were lucky enough to end up on a unionized campus with a three-year contract and guaranteed pay increases.

The Decline of Faculty Autonomy

The crisis in American higher education is not only a financial one but it is one of governance. In the late 1960s faculty all over the nation experienced a burst of new confidence as they elected their colleagues to faculty senates. Institutions that were always run from the top down appeared ready to share university governance. UI faculty were giddy at the promise that the “immediate governance” of the university (words from the UI Constitution) would be in their hands.

When the American Association of University Professors took a poll in 1977 about the faculty’s view of the principle of shared governance, the average response was just below “consultation.” I suspect that if a new poll were taken today, the faculty would say that they have even less self-governance.

Returning to my Danish experience, I learned that academic deans and presidents are elected by their faculties and fully accountable to them. There are no lay governing boards and the university presidents together with education bureaucrats present budgets to the Danish Parliament.

In 1973, when the faculty union was chartered at the UI, some professors, still under the influence of Cold War phobias, warned about a Communist take-over of the campus.

My response was that they should look around and see that we were already working under a totalitarian system. College deans can veto any faculty decision, presidents can overturn any campus decision, and the state board can veto any presidential decision.

Faculty have always assumed that they at least had the power to determine grades and set the curriculum. At the beginning of fall semester 2008 the UI Provost brought the university attorney to the faculty senate to remind the senators that they could only advise not decide what degree programs that UI should keep.

In the past faculty representatives were guaranteed a spot on the state board meeting agendas, but now they have to beg to be heard. When substantial changes to board policy were proposed in the fall of 2009, the board, rather than allowing extensive discussion on what faculty considered to be draconian measures, announced that they would limit presentations to one per institution.

Several years ago, a professor at a state board meeting mentioned the phrase “faculty governance,” and a board member exclaimed: “Faculty governance? I thought

that is what we did!" We don't have to go back to the Soviet Union to have our very own Politburo.

Over 36 years I can count at least a dozen, such as due process for non-tenured faculty and collective bargaining rights (a 2-1 vote on the UI campus), which have been ignored by the state board.

Sometimes we do succeed, as in the time we convinced the state board to rescind automatic 5-year tenure reviews. Even more dramatic was the recent withdrawal of revisions to state board policies that would have given campus presidents unchecked power to change contracts and to reduce staff. This was, however, purely the power of protest and not recognition of our right to govern ourselves.

State Subsidies for Athletics Must be Eliminated

I'm excited about the Vandals' winning season, the best one in eleven years, and I don't think I've witnessed a more thrilling football game than the one the Broncos won over Oklahoma. Before state appropriations were reinstated for Idaho athletics in 1987, the Vandals won Big Sky Championships in four or five sports year after year. Self-financing winning teams are indeed possible and this should be the rule for all non-academic programs.

Subsidies for athletics on each Idaho campus--about \$3 million a year at ISU and UI--have increased at a rate far greater than academic support. Since 1988 state appropriations for UI athletics have increased 338 percent while higher education budgets increased only 159 percent. The national average from state support to collegiate athletics is 9 percent of athletic budget, whereas at the UI it rose to 23 percent in 1999.

In 2005 the UI faculty union proposed that athletic subsidy be phased out over six years, but the faculty senate, with President Tim White, recently transferred from Rose Bowl-going Oregon State arguing against, voted it down.

Over the past ten years UI Foundation has increased its funding for athletics from \$397,166 to \$726,500. Apart from scholarships for students, very few academic programs get funds from the Foundation.

In 2005 the UI liberal arts college was forced to take \$326,000 cut at the same time that the athletic budget was increased by \$322,000. During this time the University

of Idaho Press, even though it had an awarding book featured on national TV, was shut down.

Reduction of Higher Education Funding and “Pay Day” Student Loans

Over 21 years general fund revenues have increased 318 percent, but higher education budgets (including the community colleges) increased only 201 percent. In FY88 higher education took 16 percent of the budget but in FY09, it garnered only 10 percent. I remember figures that indicated that higher education at one time received 20 percent of the budget, but that was before the prison budget started to skyrocket.

Adjusting for inflation, tuition on American campuses has doubled since 1980, while salaries for middle class families have remained stagnant. Since 1986 UI student fees have gone from \$1,040 per year to \$5, 236, a whopping 403 percent increase. A rough adjustment for inflation would bring that down to a still unacceptable 200 percent.

Thirty years ago Pell grants to needy students covered 72 percent of their college costs, but today that percentage has dropped to 38. During the Bush administration Pell grant funding was cut so severely that 375,000 qualified students failed to get stipends.

Columnist David C. Johnston states that "an estimated 200,000 young people do not attend college each year simply because they lack the resources." The *Nation* magazine puts that figure at 400,000 students.

The Democratic Congress is now ready to strip away \$90 billion in subsidies for student loans by private lenders, who have for years fleeced America's college students with interest rates as high as 19 percent and opaque loan agreements. I say good riddance to lenders who drew million dollar salaries, flew around on private jets, and bribed college loan officers to tell students that government loans were a bad deal.

The Reagan revolution convinced millions of Americans that government is bad and that increasing taxes is a mortal sin, but this has resulted in a massive failure to invest in both human capital and physical infrastructure. We faced inevitable national decline if we do not increase funding in both areas.

In a superb editorial in the *Lewiston Morning Tribune* (9/26) Marty Trillhaase questions the wisdom of reducing higher education budgets during a recession and when enrollment is up on all our campuses. ISU had the highest enrollment increase at 6.6 percent.

President Obama is doing the right thing. He has proposed \$12 billion over ten years to improve our community colleges and enable them to accommodate an increasing number of new students.

Former state legislator Ken Robison has reported that individual taxes up 105 percent past 10 years, while business taxes were up only 28 percent. The first is breaking family budgets, but the second is hardly undermining people to do business.

When Jim Risch was governor in 2006, he signed a bill that cut property taxes by \$260 million and added a penny to the sales tax that raised \$210 million. Marty Trillhaase has calculated that "wealthy families netted a \$60 million tax cut, but everybody else paid \$10 million more." All those earning less than \$134,000 paid more in sales tax than they saved in property tax.

I therefore have a modest proposal: there should be an income tax surcharge on all Idahoans who make more than \$134,000 until we make it through this financial crisis.

Responding to the crisis in higher education, Governor Butch Otter recently declared: "We can't outbirth them, but we can outsmart them." With regard to China Otter is actually wrong: China's fertility rate is 1.79 per woman while our 2.05 is one of the highest in the industrialized world. Although certainly capable, Idaho students will not outsmart anyone unless much more investment is made in higher education.

President Obama has an ambitious goal: "By 2020 America, will once again have the highest proportion of college graduates in the world." If we do not make that goal, I will blame shortsighted and tax averse Congresses and Presidents who, over thirty years, have failed to make necessary investments in human capital.