The Role of Education in Facing Current and Future Challenges in Louisiana

Jim Purcell, Commissioner
LOUISIANA BOARD OF REGENTS
BOARD OF REGENTS FOCUS

Three Main Goals

• To increase the education attainment of its citizens;
• To invest strategically in university research; and
• To become a more efficient and accountable enterprise.
Louisiana’s Public Colleges and Universities

- Bossier Parish Community College
- LSU Health Sciences Center - Shreveport
- Grambling State University
- Louisiana Tech University
- University of Louisiana Monroe
- Louisiana Delta Community College
- LSU Health Sciences (7 colleges statewide)
- Louisiana Technical College
- Southern University Shreveport
- Northwestern State University
- McNeese State University
- SOWELA Technical Community College
- LSU - Eunice
- Fletcher Technical Community College
- South Louisiana Community College
- University of Louisiana Lafayette
- LSU - Alexandria
- Louisiana State University
- Baton Rouge Community College
- Southeastern Louisiana University
- University of New Orleans
- LSU - Alexandria
- Louisiana State University
- Nicholls State University
- Nunez Community College
- Southern University Shreveport
- University of New Orleans
- Delgado Community College
- LSU Health Sciences Center - New Orleans
2,326,878 jobs gained nationwide since February 2006

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
2,396,937 jobs gained nationwide since March 2006

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
1,744,303 jobs gained nationwide since April 2006

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
1,667,852 jobs gained nationwide since May 2006

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
852,379 jobs gained nationwide since August 2006

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
427,218 jobs gained nationwide since October 2006

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
766,413 jobs gained nationwide since January 2007

Source: Local Area Unemployment Statistics from the Bureau of Labor Statistics
192,836 jobs gained nationwide since March 2007

March 2008

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
463,832 jobs gained nationwide since May 2007

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
97,836 jobs gained nationwide since June 2007

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
729,864 jobs lost nationwide since September 2007

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

September 2008

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
792,839 jobs lost nationwide since October 2007

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
2,581,314 jobs lost nationwide since December 2007

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
3,934,420 jobs lost nationwide since January 2008

Source: Local Area Unemployment Statistics from the Bureau of Labor Statistics
5,085,881 jobs lost nationwide since April 2008

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
5,302,934 jobs lost nationwide since May 2008

SCALE
1,000 jobs
10,000 jobs
50,000 jobs

May 2009

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
5,561,032 jobs lost nationwide since June 2008

SCALE
- 1,000 jobs
- 10,000 jobs
- 50,000 jobs

June 2009

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
5,539,183 jobs lost nationwide since July 2008

July 2009

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
5,947,191 jobs lost nationwide since September 2008

Map of job losses in the United States, with a scale indicating job losses from 1,000 to 50,000 jobs. The map covers the years 2007 to 2009.

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
6,162,836 jobs lost nationwide since October 2008

SOURCE: Local Area Unemployment Statistics from the Bureau of Labor Statistics
The SGS Alternate Unemployment Rate reflects current unemployment reporting methodology adjusted for SGS-estimated long-term discouraged workers, who were defined out of official existence in 1994. That estimate is added to the BLS estimate of U-6 unemployment, which includes short-term discouraged workers.

Unemployment Rate - Official (U-3 & U-6) vs SGS Alternate
Monthly SA. Through Mar. 2010 (Source: SGS, BLS)

- Official (U3)
- Broadest (U6)
- SGS Alternate

We offer an exposé of the problems within the reporting system, and an assessment of underlying economic reality, through two basic services:

The Shadow Government Statistics Newsletter (Archives, Subscriptions), and Specialized economic consulting services including customized forecasts and analyses of the general economy, as well as for specific industry, product or company results. (contact us to discuss your needs);
Anyone who owned a mechanical loom could, with the help of one or two assistants – perhaps his wife and children – do more work than a hundred trained weavers.

So whatever became of all the weavers in a town into which a mechanical loom was introduced? . . . they woke up one day to discover that they weren’t needed any more. Everything it had taken them years to learn, first as apprentices and then as journeymen, was useless.

Compression of wages
Restructuring of the economy
Those that adapt flourish
Those that could not . . .
• In 1970, 74% of the middle class had a high school diploma or less education.

• In 2007, only 39% of middle class had a high school diploma or less education.

• Middle Class:
  – Family income range from 35,000 to 91,000
• **Help Wanted – Projections of Jobs and Education Requirements through 2018.** Carnevale, Smith and Strohl

• “postsecondary education has become the gatekeeper to the middle class and the upper class”
Nationally, 60% of jobs will require a postsecondary credential by 2018.

What was said about Louisiana:

- By 2018, more than 50% of jobs will require a postsecondary credential. Louisiana currently has a workforce with less than half of what will be needed.
- Unless there are systemic changes, in 2018 Louisiana will:
• rank 6\textsuperscript{th} in the nation in the percentage of jobs for \textbf{high school dropouts};
• rank 5\textsuperscript{th} in the nation in the percentage of jobs for \textbf{high school graduates};
• rank 50\textsuperscript{th} in the nation for jobs requiring \textbf{an associate degree};
• rank 45\textsuperscript{th} in the nation in the percentage of jobs for \textbf{college graduates};
• rank 47\textsuperscript{th} in the nation in the percentage of jobs for people with \textbf{graduate degrees} and . . .
• rank next to last in the percent of Jobs Requiring Postsecondary Education.

We are at a turning point. Louisiana has to decide whether to do a better job at educating its people or serve as a great conveniently located source for cheap labor.

What is our collective vision of what Louisiana will look like in the future?
No state with a low proportion of Bachelor’s degrees has a high per capita income.

No state with a high proportion of Bachelor’s degrees has a low per capita income.

Source: U.S. Census Bureau, ACS 2006
Current percentage of **young** adults (25-34) with a college degree

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3 “College degree” means an associate degree, bachelor’s degree, or higher. National Center for Higher Education Management Systems (NCHEMS), 2008 (from U.S. Census Bureau, 2008 American Community Survey Public Use Microdata Sample File.) [http://www.higheredinfo.org](http://www.higheredinfo.org)
La. given ‘F’ in skilled workers

Advocate business writer

• The number and quality of skilled workers in Louisiana is dismal, according to a recent report evaluating the state’s manufacturing abilities.

• The 2011 Manufacturing and Logistics National Report by the Center for Business and Economic Research at Ball State University in Indiana gave Louisiana a failing grade in the important area of “human capital.”

• All 50 states were included in the study.
• The clock of history is always ticking. *We can cross our fingers and hope for the best, or we can take steps now to move toward a better, more prosperous future.*
Cities such as San Antonio, Texas, for instance, ranked as the nation’s “strongest performing,” according to Brookings’ MetroMonitor, with Oklahoma City and Tulsa; Austin, Houston, Dallas and McAllen, Texas; Little Rock, Arkansas; Baton Rouge, Louisiana; and Omaha, Nebraska, rounding out the top ten.
Time and Place

Those individuals, families, cities, states and – increasingly—countries with the most education are prospering, while those with the least higher education are experiencing relative and often absolute economic decline.

--Postsecondary Education OPPORTUNITY, June 2005.

For people and communities to thrive in the new economy they will need to have access to a good college and good health care.
Top 25 Cities for College Graduates

1. Fayetteville, NC
2. Omaha, Neb.
3. Oklahoma City, OK
4. Austin, TX
5. Houston, TX
6. Lexington, KY
7. Durham, NC
8. Dallas, TX
9. Tulsa, OK
10. Little Rock, AR
11. Savannah, GA
12. Washington D.C.
13. Boston, MA
14. Corpus Christi, TX
15. Baton Rouge, LA
16. New Orleans, LA
17. Des Moines, Iowa
18. Columbus, OH
19. Stanford, Conn.
20. Shreveport, LA
21. Seattle, WA
22. Albany, NY
23. San Antonio, TX
24. Kalamazoo, Michigan
25. Honolulu, Hawaii

compiled by The Daily Beast published by Newsweek.
Percent of Parish Population With Bachelors and Higher---25 and older

State Average 20.64%

Source: Data Set: 2005-2009 American Community Survey 5-Year Estimates Survey
75% of persons with bachelor’s live in 8 parishes
Strengthening the Education Pipeline
Kids less likely to graduate than parents

Education Trust:
Your child is less likely to graduate from high school than you were.

msnbc.com
2008
98-99 Louisiana 9th Grader’s Progression into High School and College (percent)

- 100% 9th Grade Enrollment
- High School Grads
- Enrolled Directly into College
- First-time Full-time Degree Seeking Cohort
- Retained After 1 Year
- Graduated Within 6 Years
- With Associate Degree
- With Bachelor Degree

Fall 2003 LA College Freshmen
98-99 Louisiana 9th Grader’s Progression into High School and College (number)

9th Grade Enrollment: 73,339
High School Grads: 46,308
Enrolled Directly into College: 26,677
First-time Full-time Degree Seeking Cohort: 22,984
Retained After 1 Year: 18,406
Graduated Within 6 Years: 8,458
With Associate Degree: 345
With Bachelor Degree: 8,182
Local Imperative

• 81% of Louisianans were born in Louisiana
• The local population will be your workforce
• Student preparation for college/work is key
• Local support for local students is needed
• Getting adults with some college to complete their degree can be a strong mechanism for building local communities
• Stewards of the community
Oklahoma

Tulsa Achieves

- Tulsa County Resident
- 2.0 high school GPA
- Graduating in May
Arkansas

- **El Dorado Promise** provides up to five years of funds for undergraduate post-secondary education for students entering college immediately following high school—paid based on length of attendance in the El Dorado Public School District.

- **Arkadelphia Promise**—pays the difference between what the Arkansas Academic Challenge Scholarship pays toward college and mandatory tuition and fees at public Arkansas colleges and universities.

- **Great River Promise**—The Great River Promise provides gap scholarship funding for graduates of high schools in Phillips County to attend Phillips Community College of the University of Arkansas (PCCUA).
blood donation by education level, 1994:

Ever Participated in Assistance Programs

- Less Than High School Diploma: 24.3%
- High School Diploma: 10.2%
- Some College & Bachelor’s Degree or More: 4.6%

Source: Postsecondary Education Opportunity, May 28, 1997, pg 47.
incarceration rates by education levels

Percent Below Poverty Threshold, 2004

- Less Than High School Diploma: 32%
- High School Diploma: 15%
- Some College: 10%
- B.A. or Higher: 4%

Census Bureau
economic unemployment rates and education level, 2004

Source: Employment Policy Institute
Quality of Life
Home Ownership

Percentage Home Ownership

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School Diploma</td>
<td>58%</td>
</tr>
<tr>
<td>High School Diploma</td>
<td>69%</td>
</tr>
<tr>
<td>Some College</td>
<td>66%</td>
</tr>
<tr>
<td>B.A. or Higher</td>
<td>75%</td>
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</tbody>
</table>

Census Bureau, American Housing Survey for the United States: 2005
Seatbelt Use while intoxicated, 1990

Percentage Donating Blood

- Less Than High School Diploma: 39%
- High School Diploma: 41%
- Some College: 52%
- B.A. or Higher: 66%

Percentage who use seatbelt

- 15%
- 20%
- 31%
- 78%

Source: American Journal of Public Health
Average family income by educational attainment, 2003

Source: Postsecondary Education Opportunity, 2005
# The Impact of Education on Individuals: Lifetime Earnings

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Estimated Lifetime Earnings</th>
<th>Difference Compared to High School Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 9th grade</td>
<td>$976,350</td>
<td>-$478,903</td>
</tr>
<tr>
<td>High school dropout</td>
<td>1,150,698</td>
<td>-304,555</td>
</tr>
<tr>
<td>High school graduate</td>
<td>1,455,253</td>
<td>0</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>1,725,822</td>
<td>270,569</td>
</tr>
<tr>
<td>Associate degree</td>
<td>1,801,373</td>
<td>346,120</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>$2,567,174</td>
<td>$1,111,921</td>
</tr>
<tr>
<td>Master's degree</td>
<td>2,963,076</td>
<td>1,507,823</td>
</tr>
<tr>
<td>Doctorate</td>
<td>3,982,577</td>
<td>2,527,324</td>
</tr>
<tr>
<td>Professional degree</td>
<td>5,254,193</td>
<td>3,798,940</td>
</tr>
</tbody>
</table>

Source: Federal Reserve Bank of Dallas, 2005
At the end of WWII, the U.S made a bold decision to invest in the future of its economy by providing $1.9 billion annually to the education of returning veterans of the war. This commitment to human capital helped enable the WWII generation to become the “greatest generation.”

Possibly, this state’s greatest generation is at the schoolhouse door waiting for the opportunity to propel your state into the global economy.