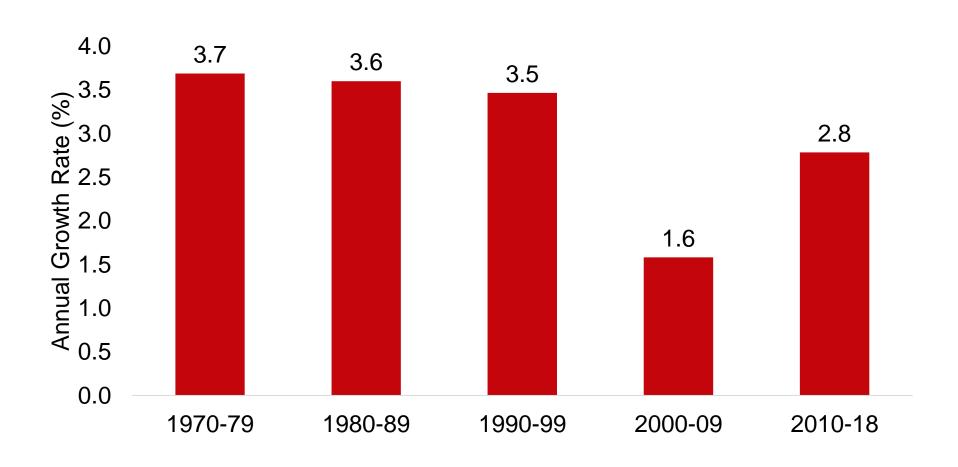


Unequal Growth/Unequal Outcomes

Chancellor Rebecca Blank
University of Wisconsin–Madison
November 11, 2018
APLU Annual meeting

Economic growth is important

Annual Real GDP Growth Rates

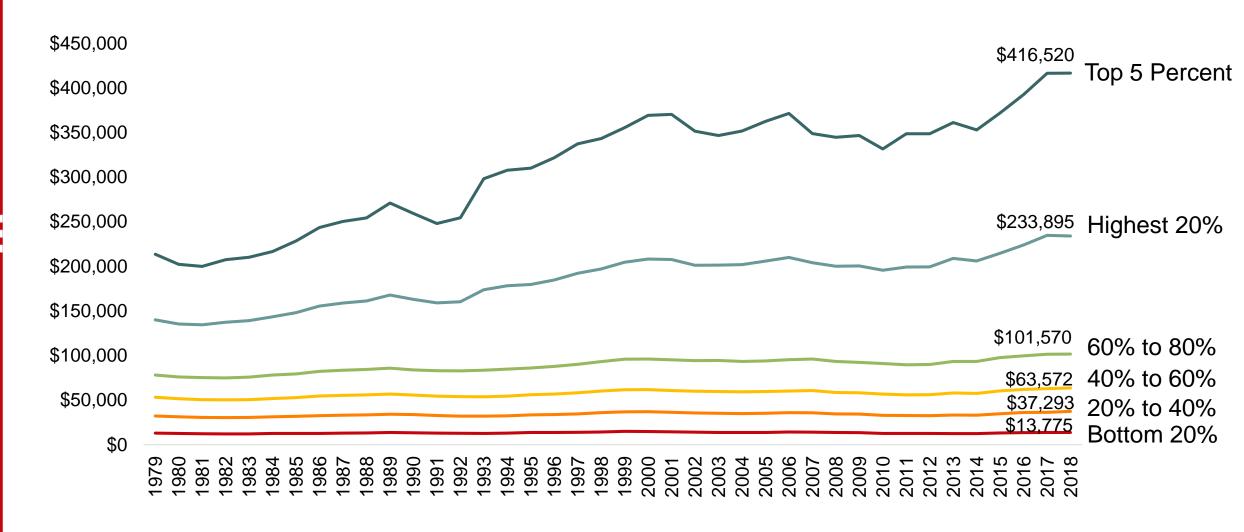


Source: Bureau of Economic Analysis, based on chained (2012) dollars

No single institution in our nation is more important to long-term economic growth than the public research university

In recent decades, economic growth has translated into income growth only among those in the top half of the income distribution

Mean Household Income Within Quintiles



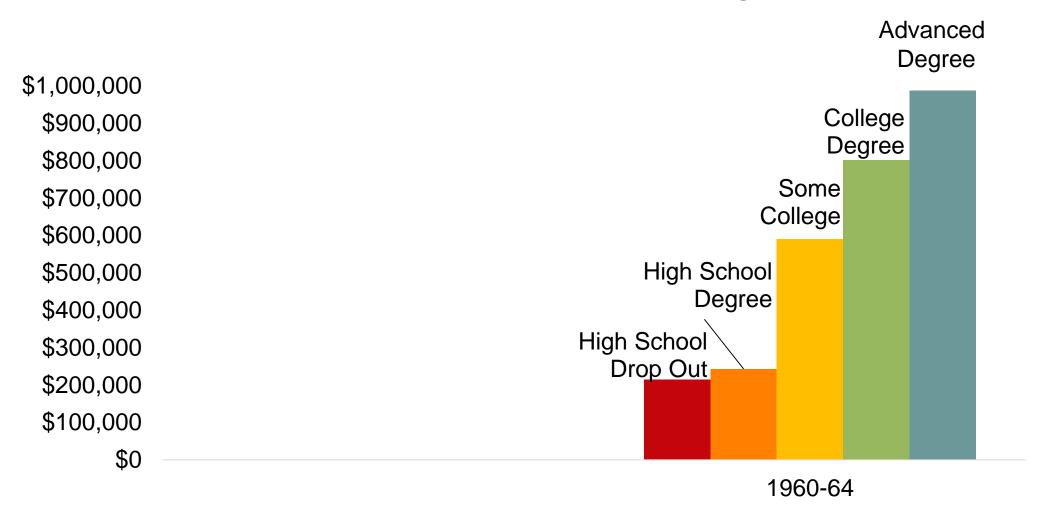
Source: U.S. Census Bureau, Current Population Survey, 1968 to 2018 Annual Social and Economic Supplements 2018 Dollars

How do we assure more workers can benefit from economic growth?

- 1. Improve jobs
- 2. Provide greater economic support to low-wage workers
- 3. Improve workers/Increase skill levels

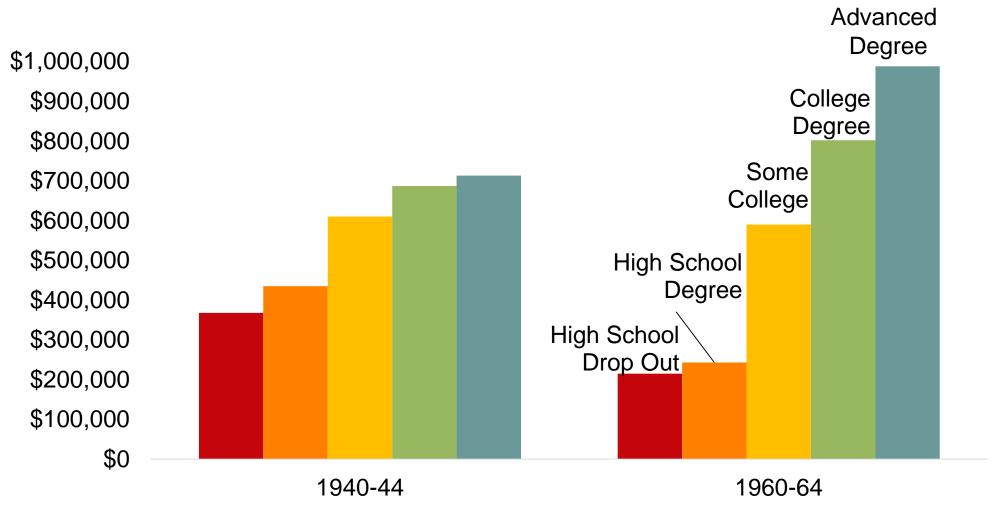
Those who have benefited from economic growth are primarily those with college degrees

Male Median Cumulative Earnings by Birth Cohort and Education, Ages 43-47



Source: Educational Attainment and Earnings Inequality Among US-Born Men, Urban Institute

Male Median Cumulative Earnings by Birth Cohort and Education, Ages 43-47



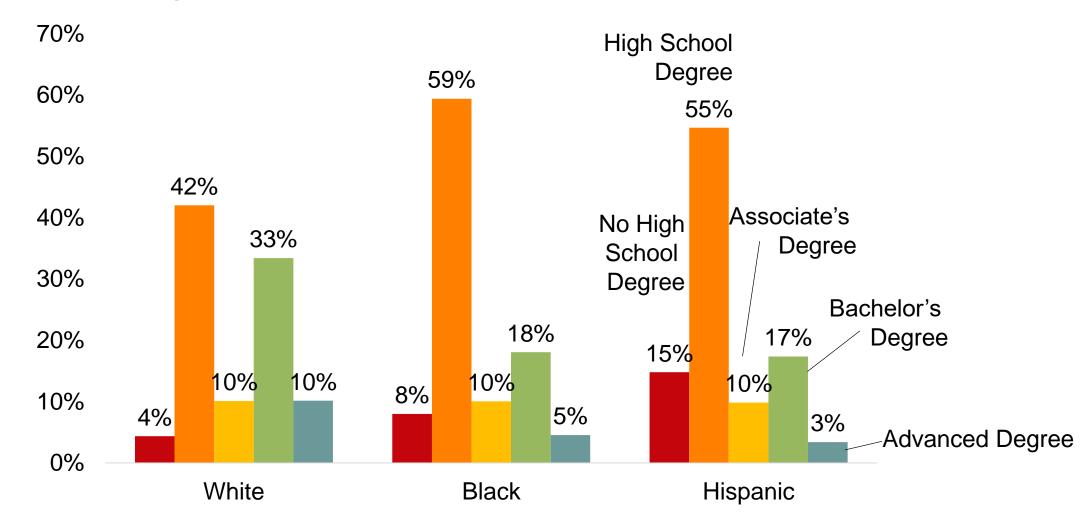
Source: Educational Attainment and Earnings Inequality Among US-Born Men, Urban Institute

If we raise skills by providing posthigh school education to more citizens, we can stimulate greater economic growth, with broader benefits

Even students on the margin benefit from higher education

The need to increase skills is even more important when you look at the inequalities in access and completion of higher education by group

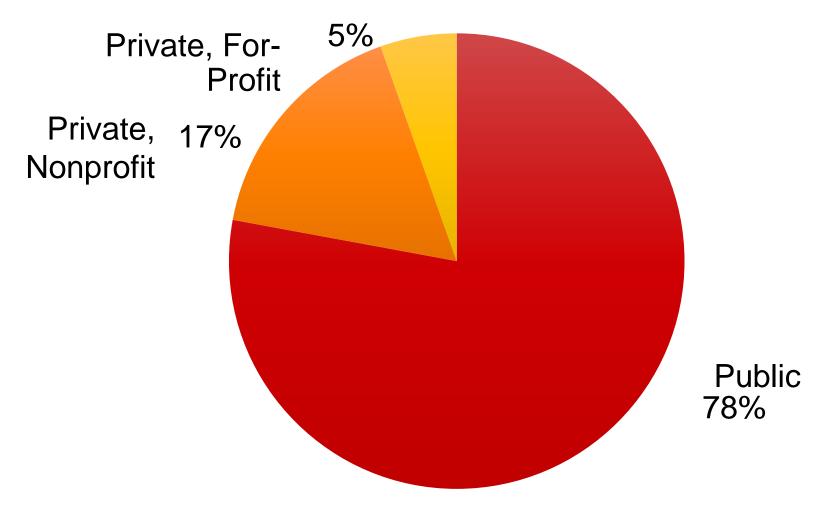
Inequality in Educational Achievement, 2018 Percentage of the Population 25-29 Years Old



Key point #1: It's largely not initial access, but completion that is the problem. 90% of high school grads start some post-high school training.

Key point #2: This is largely about completion at public schools. The elite privates are pretty irrelevant.

Total Undergraduate Fall Enrollment All Degree-Granting Institutions 2016



Source: National Center for Education Statistics, Digest of Education Statistics

Getting students to complete and graduate is not a huge mystery. Four major components:

- Affordability
- Teaching/curriculum
- Advising/counseling
- Support of family/friends

Affordability

- Necessary but not sufficient
- Linked to time to completion
- Simple messaging matters

Side comment on Student Debt

- Not a global problem; focused in forprofit & 2-yr schools
- Greatest defaults among those with less debt
- 4-year publics have seen only modest debt increases

Economics comment: Debt is a good thing when used correctly!

Teaching/Curriculum

- We do a bad job of teacher training and support
- Coherent curriculum matters,
 which must be well communicated

Advising/Mentoring

- Expect four year completion
- Target extra help to low income/first gen students
- Use new technologies to coach
- Establish strong transfer programs from 2-year schools
- Don't forget career advising

Budget cuts and public attacks on higher education are not helpful in getting any of this done.

If we want the U.S. to thrive in the decades ahead we need to support public institutions of higher education and they need to be accountable for student completion

