Educating for a stronger economy

An interview with Kentucky Council on Postsecondary Education interim president Brad Cowgill

Interviewed by Tom Martin
BUSINESS LEXINGTON

Brad Cowgill is interim president of the Kentucky Council on Postsecondary Education. Prior to his appointment to succeed Dr. Tom Layzell, Cowgill served as state budget director. In this interview with Business Lexington's Tom Martin, Cowgill discusses efforts to make college accessible to more Kentuckians and how that outcome could impact the economy of the commonwealth. The interview has been edited to accommodate space. It can be heard in full online as a BizCast at www.bizlex.com

TM: To paraphrase an article in a recent Chronicle of Higher Education, ten years ago, Kentucky, a poor state and a perennial low scorer on measures of educational attainment, vaulted onto the national stage with a bold effort to reform its public higher education system. Let's fast forward to today in 2007. Has there been improvement in Kentucky higher education?

BC: We've certainly improved in the area of educational attainment. I would say that we're probably still to be considered a poor state in the sense that per capita income in Kentucky still hovers at the rate of about 81 to 82 percent of the national average, and that's enough to characterize Kentucky as a poor state. In the area of educational attainment, we've made a lot of progress and there's a direct relationship between the two. I suspect that we would not have made the gains that we have made in per capita income over the course of the last ten years were it not for the fact that we have made some progress in the area of educational attainment. We've made progress, but unfortunately so has the rest of the country and in fact so has the rest of the world. ... The people who were involved in educational reform in Kentucky in 1997 were fascinated with the connection between the level of attainment that Kentuckians have on the one hand and our per capita income on the other and realized that really you can't improve one until you improve the other.

TM: A "chicken and the egg" scenario?

BC: Well it is, as a matter of fact, although I think the chicken in this case is probably education and the egg is the economic standing of the state. The two have to go together. It wouldn't do us any good, for example, if we converted everyone in Kentucky to a Ph.D. Unfortunately they would almost certainly have to leave the state in order to find the jobs that doctoral degree holders would want to have in order to maximize their career opportunities. On the other hand, our feeling is that if during the period of time between now and the year 2020 we were able to use the financial resources that are available to us and the various facility resources on our campuses to increase the number of bachelor's degree holders living and working within our state of Kentucky, we could achieve a significant improvement in per capita income. That expectation is built on the fact that over the course of a working lifetime, a college graduate ends up earning about a million dollars more than a person who has just a high school diploma.

TM: During the mayoral race and throughout the gubernatorial campaign, we heard variations on the theme that we should make college education more accessible to more Kentuckians by somehow providing scholarships. What do you think of that concept?

BC: Well, in the broad sense, I thoroughly agree. As a matter of fact, that's an area of particular concern to the Council on Postsecondary Education right now. One of our responsibilities as the chief advisor and consultant to the governor and the General Assembly in the area of higher education is to look after tuition rates and to see whether we have reached a point at which increases in tuition are beginning to pinch back on the number of students who can afford to go to college within the state. We're particularly concerned about that where the community colleges are concerned. And by comparison with the region as a whole — that is the Southeast region, Tom — it looks to us as if we have reached that point, and so we're recommending that tuition at community and technical colleges in Kentucky be frozen for the next biennium. Now we're waiting to see whether the legislature is willing to make the appropriations we would need in order to assure that the community colleges can continue to provide high-quality services to their students without the additional financial revenue from a tuition increase.

TM: Our system of higher education has a record of being at once short on resources and long on need. As budget director for Governor Fletcher, you opposed extending bonding authority to the universities. Your predecessor, Tom Layzell, supported university bonding. Are you willing to take another look?

BC: Oh absolutely. And as a matter of fact, I always have been. The line whenever we get into this subject has been that there is more than one way to skin the cat. During the period of time when I was looking at these issues through the lens of budget director, my immediate concern was simply for the total volume of bonding within the state, and that volume increased dramatically within the four years of the Fletcher administration. We had two programs in excess of $2 billion apiece. By historical standards, that was absolutely incredible. In addition, to be honest with you, I had some concerns about the particular bill that was being advocated and I wanted to see if there wasn't a way to improve that bill. I wouldn't speak for anyone other than myself, but I would tell you that I am not alone within the higher education community in thinking that there were ways to make improvements to that particular bill. From the vantage point that I now have, what I would like to do would be frankly to just sort of start from scratch with the whole issue and to see if there isn't a way that our universities shouldn't have the authority to issue bonds in the name of the commonwealth in ways that will be supported by their own revenue streams. As you know, the universities have significant revenue streams arising from their dormitory operations, their food operations, from various athletic operations and hospital operations and such. And when it becomes necessary for those to be supported by new facilities, I hope that the state will always be accommodating in its providing bond authority with which to do that.

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TM: The Council on Postsecondary Education has a campaign underway called "Double the Numbers." What's that about?

BC: ... One of the big goals, Tom, is that over the period between 1997 and the year 2020 we would elevate the general educational attainment of the people of Kentucky to the point where we are at the national average. We have operationalized that goal at the CPE to mean that, by the year 2020, the percentage of Kentuckians who have a college degree will be as high or higher than the national average. Now a lot of people around the country are trying to figure out by the year 2020 what percentage of all Americans will have a college degree, and the answer has come back at about 32 percent of those in the working age from 25 to 65. Let's imagine then that by the year 2020 in Kentucky we want to have 32 percent of our working age population to have a college degree. We've calculated that that means Kentucky will need to have about 800,000 degree holders. How many do we have right now? Well, the last time anyone knew that number for certain it was at the turn of the century, because there was a census taken in that year and the answer in Kentucky was 402,000. So, in that 20-year period of time from the turn of the century to the year 2020, what we hope to do is to increase the number of college graduates living and working in the state of Kentucky from roughly 400,000 to roughly 800,00. When we say "Double the Numbers," that's what we're talking about.

TM: Does the council consider how once these students have graduated and gone out into the workforce we keep them here? And for that matter how we attract grads from other states to come to Kentucky? What needs to be done to improve in that area?

BC: Very good question, Tom. It's a responsibility in which the council does play a role. Obviously, it's not the exclusive role of the council on Post Secondary Education. The Cabinet for Economic Development plays a big role in that as well, but your point is very well taken. As I mentioned earlier, if everyone had a degree that they had to go out of state in order to pursue a career to take advantage of that degree, we really would not have accomplished very much. As a matter of fact, we would have made an investment of public dollars and really not received anything in return. So one of the things is to try to insure that our resources are spent in areas where the graduate is likely to stay in the state of Kentucky and confer an economic benefit here. For example, we have initiated in the last year or so a study directed by Dr. Lee Todd called a STEM Initiative. STEM in this case is an acronym for Science, Technology, Engineering and Math. And our belief was that a degree is not a degree is not a degree. There are some degrees that have more economic value to the state of Kentucky than others, and STEM degrees — that is those with technology and engineering in them — tend to confer a higher benefit to our economy than other degrees. So we have tried to put a little extra initiative, extra programming priority into the development of those degrees. Research plays a big role in this as well. The investment that we make in research by appropriation of public tax dollars into the universities, particularly the University of Kentucky and the University of Louisville, pay an economic payback because they have created opportunities within our state that bring the "world dollars," if you will, into our state and support some pretty high-end employment. Those are just a couple of examples that come to mind, but you draw attention. Tom, by your question, to the fact that the goal of "Double the Numbers" that we've set is not exclusively a higher education goal. It's a state goal, and it illustrates the marriage between education on the one hand and economic development on the other. We will need to provide through our education programming talented people who can find a prosperous place in the world economy and find it right here within the borders of the state of Kentucky.

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TM: Brad Cowgill, thank you for stopping in.

BC: Thank you.

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