RESTATING THE CASE FOR HIGHER EDUCATION—
DEFINING NEW ROLES FOR SCHEV AND PRESIDENTS

Mr. Chairman, thank you for the very kind introduction, and thanks for the invitation.

Members of the State Council of Higher Education, Presidents of Virginia’s public colleges and universities, Distinguished Guests, Ladies and Gentleman, I am pleased to be a part of your two day session on matters of higher education.

It’s good to be back at Virginia Commonwealth University. From my observations, VCU has been the singular dynamic force in reshaping much of the Capital City during the past 30 years. My wife, Robin, and I look forward to seeing VCU’s new and consequential Institute of Contemporary Art after my three hour presentation; so let’s get started.

SCHEV plays an essential role in the strategic direction and intellectual health of higher education in the Commonwealth — and, from what I can see, it’s in good hands.

Let me go further than that. SCHEV’s composition of members — and its Director and staff — is as strong today as any I’ve observed since the SCHEV era of Gordon Davies, its long-time nationally acclaimed Director from the late ‘70s through the late-’90s.

And, frankly, Virginia needs you to be strong and capable. I will get to that part.
I look upon this occasion as an important opportunity to make some observations and perhaps offer a valuable perspective. That’s what you’ve requested, in any event.

There are advantages to being away from public life and also advanced in years … a few anyway, and mostly useful.

For one, the perspective shifts as you go along. The plain broadens out. One sees where things could have been done differently. One assesses one’s own choices.

One can even see, to borrow a phrase, when one was a “stable genius”. One can also see, with piercing clarity, when one was not.

There are no perfect paths forward, of course, but one can learn. One central thing you learn is the vital necessity of context and candid assessment.

So, let’s start right there. Where is the Commonwealth today?

In broad, general terms, the Commonwealth is perceived by many to be doing quite well.

The overall economy is vibrant — revenues are up, unemployment is down.

The Triple A bond rating has been sustained – the Commonwealth is looked upon, has been for years, as well-managed.

Even so, these things run in cycles. The state’s continued economic and financial growth will remain subject to larger forces, including factors beyond our control. You may recall that we experienced a deep and painful recession just a decade ago.

What about higher education?

Virginia’s colleges and universities annually — and routinely it seems — receive high marks for the quality of teaching and research, for value, student life and graduation rates.

Some even get highly ranked for football prowess!

That comes and goes, too.

In my judgment, you can trace a line between the well-being of higher education and the well-being of Virginia. The schools feed our achievements and the benefits accrue from their diverse traditions.
Instead of a centralized, “top down,” system approach to multiple colleges and universities of some states, the Commonwealth’s “institutional autonomy” model provides a rich variety of opportunities for the citizens of Virginia.

Those institutions, however, have never been “free-floating islands,” unattached to the aspirations of our people and free from the public policy considerations of the social, economic, and political realms.

Virginia’s approach of required coordination and collaboration among our public colleges and universities is found in Virginia’s history and codified in its statutes, and that’s where you, the members of the State Council of Higher Education, come into the picture.

Let’s take a closer look.

Historically speaking, no one wanted a higher education “system” per se, in Virginia, but there was a need for systematic thinking.

That seems a bit of a contradiction, but that’s Virginia for you.

In point of fact, the post-World War II era forced us to think more systematically. In 1955 – 63 years ago — a legislative advisory council’s report wrestled with some cold, hard demographic realities: Virginia’s colleges and universities were full to capacity, and the human tide was coming in.

The Baby Boomers. An increase by at least one-half in the college-age population was forecast over the next 20 years, meaning by 1975.

Money was a problem. Sounds familiar, doesn’t it?

A lot of young Virginians wanted to attend a state school in the Commonwealth, but could not afford it. It’s in the report.

Not only that, the number of Virginians then attending college was “substantially lower than in the nation as a whole.”

To meet the educational needs of these students, new facilities would have to be provided. “Virginia cannot look to institutions situated in other states to educate her youth,” the report said.

By the way, the title of this report to the Governor and the General Assembly was “The Crisis in Higher Education and a Solution.”

It was not the only crisis we faced in that period. The report was issued in the wake of Brown v. Board of Education.
That was a painful period, when Virginia initially — and essentially — rejected an equitable future.

That has been too often the pattern in Virginia. Faced with complex challenges, we often find ways to make them more complex and more challenging.

You will find no reference in the 1955 report, for instance, to the fact that the flagship state university—the University of Virginia—did not then admit women or people of color and disproportionately leaned on private preparatory schools, rather than public schools, for its entering students.

Nevertheless, the advisory council did advance a number of important proposals, premised on the belief that the status quo no longer served Virginia’s social and economic interests.

It proposed branch campuses—essentially to enlarge and extend existing institutions.

It discussed, with some ambivalence, the creation of community colleges.

There would be no one, great, centralized university system, in the advisory council’s view, but there would be greater emphasis on coordination and collaboration.

SCHEV emerged from this report as the facilitating agency. That's you.

The advisory council really did not want to shake up the prevailing order, which allowed an unusual degree of institutional autonomy with the state’s colleges and universities, a mentality that continues to this day.

Interestingly enough, 30 years later, during my administration, we were confronted by a similar dynamic of population growth and threatening inadequacy.

The issue then centered on how Virginia would absorb a projected 24,000 more first-time, full time undergraduates by 2004.

In response we created the Virginia Commission on the University of the 21st Century and issued a report in November 1989 that centered on demographics.

It proposed measures based on what we knew to be true. And it led later to broad bipartisan support for — and public approval of — a 1992 General Obligation Bond to provide nearly a half billion dollars for building construction and renovation for colleges and universities.

“In the long run,” the 1989 Commission said, “the state can aspire to excellent education only if it is willing to pay for it.”
I have seen nothing in my life to challenge that basic truth.

You know, there were three reports back in that period, each separated by a year or two. They bracketed a severe national recession and we have lived ever since with the consequences of the public choices that followed.

We should bear that in mind, I believe, as we think through our choices today. The decisions we make can have lasting impact.

This is why in charting the course for higher education “writ large” over the next decade or so, we must take a hard look at the “big picture” — the forest, not just the trees.

We know that there are so many trees in the field of higher education. Access. Affordability. Student debt. On and on and on.

And as we know, Governor Northam’s plan for higher education, commendably, addresses those kinds of thorny issues, and adds his strong commitment to job and talent growth, entrepreneurship, innovation and his G3 program for developing a skilled labor force. I think he’s right.

We know that our future can be better to the extent we think about it — the coming challenges, the unknown unknowns, the “what ifs” of life. It’s looking at the larger picture, the forest and not just the “trees.

Several years ago, with SCHEV’s leadership, the Commonwealth looked at “the forest” and adopted a strategic plan that calls for Virginia to be the best educated state by 2030, less than 12 years from now.

This ambitious and enlightened commitment was embraced by the General Assembly, and commendably, the Strategic Plan establishes goals, measures and initiatives in support of the objective.

It proposes to put Virginia in the forefront of educational leadership. It proclaims the value of education in a time of challenge and change.

Yet, I am puzzled, for I cannot find anything in the Plan that is evident that the “Best Educated State” goal can be achieved without solving or significantly reducing the “two Virginias” problem.

This is where, as it must, hard, cold reality enters the picture

So, let me draw your attention to the Commonwealth itself. What it is — its political geography and all that it includes—matters.
Let me show you a map developed by Virginia's community college officials. It's the only one I brought with me, so I hope it leaves an impression.

What we call the Golden Crescent began to emerge in the 1950s and accelerated with the urban, suburban growth of Northern Virginia, the Richmond Metropolitan area and Hampton Roads.

While it has been a long time coming, and assorted aspects of the Golden Crescent have been discussed and analyzed ever since, today it is the beating heart of Virginia's economy. Without it, we do not have the Virginia we have come to recognize.

Don't worry, it's not going anywhere. It will continue to grow and prosper.

But, then, there is the rest of the Commonwealth.

There is, broadly speaking, a rural geographic band around the outer perimeter of much of Virginia, starting at the top of the Eastern Shore and sweeping down to its Southern tip, across Southside and Southwest Virginia, turning north and going up much of the western edge of the Commonwealth.

It is something of a stylized "rural horseshoe," embracing some 2.1 million people, more than 70 percent of the state's geography.

In recent decades, much has changed. Today, rural Virginia is fundamentally and economically different than the urban, suburban regions embraced by the Crescent.

Many of the small towns and villages in this so-called "rural horseshoe," especially the areas of Southside and Southwest Virginia, have lost much of their commercial and manufacturing bases.

Revenues are a pale shadow of the past. Education suffers, unemployment and opioids abound, the quality of life is diminished. The economic future of many of those communities, simply put, is questionable.

If you were to take the "rural horseshoe" and hold it up against the Golden Crescent, the contrasts are stunning. Two Virginias!

Moreover, according to our community college system officials, if the "rural horseshoe" region were considered a separate state, it would be tied for dead last with Mississippi and West Virginia for educational attainment levels—dead last for citizens with high school diplomas; dead last for citizens with college degrees.

Think about that.

What's the impact on Virginia's reaching the Best Educated State objective?
By the way, please note that 14 of the Commonwealth’s 23 community colleges are located within the “horseshoe” region. And there are several excellent private colleges scattered throughout the region.

What is the future of those community colleges—and the independent private colleges — if population losses and economic declines continue unabated?

The future of economic growth of that region, indeed anywhere, is dependent upon an educated citizenry and a trained workforce.

Again, look at the map.

So, where do we go from here?

My own preference — the focus point — may be shared in this room: It is the old answer. It is the truest source of democratic strength and the most reliable path to a better future: Education and plenty of it; especially higher education in all its forms.

Concern has grown, and things are happening.

For example, Virginia’s Community College System has been conducting a “pilot program” in four of its rural based community college service areas, the 10-year goal being to double the number of adults with a high school diploma or GED equivalent; and triple the number of students going to college.

The University of Virginia, UVa-Wise, and Virginia Tech have initiatives in the rural region under way.

The legislatively chartered GO Virginia organization is involved in funding regional proposals with economic promise across the Commonwealth.

The Virginia Tobacco Region Revitalization Commission has provided some funding for student scholarships as well as educational grants to several educational organizations and programs. There is a legislatively created Center for Rural Virginia and a Council for Rural Virginia, and even a non-profit Virginia Rural Center.

Two weeks ago, the Association of Public and Land Grant Universities (APLU) released its report recognizing the “hollowing out” of rural regions, and noting that, “all higher education institutions, including those that are urban based, have a stake in the well-being of rural areas.” The report calls upon higher education to “do something” and includes recommendations for the nation. It’s worth reading.
All of this is to the good, and from people and institutions of good will, but it is incremental in scope and uncoordinated in efforts.

What is required, I submit, is something larger in scope and scale, a more comprehensive and coordinated program to “lift up the people” of an area “down on their luck.”

Education is the ticket to their future; for in today’s world, education and training must precede economic growth, not the other way around.

Again, look at the map.

You know, some thirty years ago in our efforts to advance a bold — and needed — transportation initiative for Virginia that included new revenues, someone in our building crafted a sign that said: “Nothing happens until something moves.”

That’s true for Virginia’s reaching the Best Educated State goal. It’s certainly essential to changing the future of the rural horseshoe region. I am not sure it changes otherwise.

In fact, failing some concerted effort at intervention -- where we face up to this reality and do something big -- the situation probably gets worse and will continue to vex Virginia’s overall future.

So, something must move.

Let me pose a few ideas. You know, just ask some questions.

Why not consider a “Marshall Plan for rural Virginia?”

George Marshall wouldn’t mind. The distinguished former Secretary of State was a Virginian, after all.

Why not undertake a bold, comprehensive and coordinated educational effort for the region that actively recruits students and older adults to the classrooms and workshops? If we can actively recruit athletes, why not students and older adults?

Why not provide in every county and community throughout the region academic courses and workforce training that engages the mind, lifts the spirits, sharpens skills and demonstrates the power of education and hope for a better future?

Why not establish shared responsibility among our public colleges and universities for providing life-long education programs, online instruction and financial incentives to enroll and complete educational programs throughout the counties, cities and towns of the “rural horseshoe?”
After all, shouldn’t all of Virginia’s public colleges and universities be a vital part of such an intensive educational revitalization of the rural region? And why not invite the independent colleges of the rural horseshoe to join in this enterprise?

And who should take the lead in such a bold endeavor?

How about this agency?

SCHEV, in its role of coordinating higher educational efforts in the Commonwealth, could be the ‘lead dog” in this hunt for the region’s better future of economic growth through education.

Indeed, the statutory “laundry list” of things that SCHEV is charged to coordinate in the realm of higher education also includes the call to advocate and promote higher education, to “market the message”, if you will.

Advocacy. It is a vital part of the democratic process. Advocacy is essential.

I believe the time has come for SCHEV—and all of the presidents of our colleges and universities—to be more visible, more vocal, more creative and imaginative in promoting the role and value of higher education as “increasingly, the engine that’s driving the American economy”; and its critical role as a transmitter of civilization’s values.

It must be said that education is part of the glue that binds together the fabric of our increasingly diverse society, and our colleges and universities are fundamental to the American social compact.

That message is not being heard in many parts of the rural horseshoe, and not frequently enough in the rest of the Commonwealth.

SCHEV can help change that.

How should such a Marshall Plan be developed, organized and administered?

SCHEV, in its coordinating and advocacy roles, could provide the “convening power” to work with the higher education community, business and civic leaders across the Commonwealth to provide a “working draft” of such a Plan for the Governor and the General Assembly to consider in building the Commonwealth’s FY’20-’22 biennial budget, a document that will begin to be shaped next year, 2019.

The “elephant in the room” question has already crossed your minds, I can tell.

Yes, the program would cost money. It will not be in the category of “pocket change.”
But, the words of the 1989 Commission on the University of the 21st Century bear repeating: “the state can aspire to excellent education only if it is willing to pay for it.”

Today’s cold hard demographics of Virginia’s “rural horseshoe,” especially Southside and Southwest Virginia, are hard for anyone of conscience, to ignore.

Yes, the decision regarding costs and funding sources, ultimately, lies with the Governor and General Assembly after consideration of plans, metrics and timing.

So, we need the plans, the metrics, the projected costs and revenues—and a calendar. SCHEV, in coordination with the rest of higher education, could get “the ball rolling.”

For starters, let me mention one potential funding source for the initial expansion of educational opportunities in part of the rural horseshoe: The Virginia Tobacco Region Revitalization Commission.

A little history is helpful here.

The Tobacco Commission was established by the General Assembly almost 20 years ago, in 1999, to administer Virginia’s share of the Master Settlement of federal litigation proceeds between 46 states and the tobacco manufacturers.

Virginia’s share was $4.2 billion, of which the Commonwealth dedicated $2.1 billion to the Tobacco Commission with two goals:

1. To indemnify growers for the loss of federal quota rights to grow tobacco.

2. To “revitalize the tobacco communities” with the remaining amount (later estimated at $1.5 billion dollars).

As I understand it, indemnification payments of $309 million were completed or suspended sometime ago, while the larger amount of more than $1.3 billion in assets have been dispensed by a 28-member board to 2,132 grants and loans to a variety of projects and initiatives across Southside and Southwest Virginia.

According to the Commission’s annual report, approximately a half billion dollars ($466,647) remains.

Arguably, with some exceptions, such as Danville, the rural region of Southside and Southwest Virginia is in worse shape today than 20 years ago when the Tobacco Commission had more than $2 billion to “transform” the region as the legislation required.

Look at the educational attainment levels.
Look at the map.

Perhaps a better use of the remaining Virginia Tobacco Commission funds would be to consider how to turn them into a “trust fund” for education, including expanded funding of community college education for the citizens of the region, especially since Virginia’s community college costs for tuition and total mandatory fees are the eighth highest in the nation. To date, the region is a long way from the transformation that was anticipated.

While education often is discussed in terms of costs, the real cost is in the absence of educational opportunities. The message that must be marketed is that education should be viewed as an investment.

For those who doubt and demur: Look at the map.

If the potential doctors and nurses, scientists, administrators and lawyers, landscape architects and artists, as well as the plumbers, welders, business and civic leaders in the communities of the rural horseshoe are to be found, greater investments in education must be made, and the subject of education and workforce training must be part and parcel of every public policy discussion and decision throughout the region.

That subject must permeate the consciousness of the citizenry at large. It must be seen for what it is—the key to the future.

You know, the funding question for such a Marshall Plan poses an even larger public policy question: how should education be funded—K-12 as well as higher education?

Educational funding, as we have witnessed over the years, is too often significantly diminished in times of recession, while the value of education continues to require sustained funding.

In recessionary climates, the competitive pressures from other essential and worthwhile public needs, such as health and mental health, economic development and the environment, the arts and humanities, public safety and transportation, confront state and local government decision makers with painful choices. Negative consequences often follow funding reductions in all areas, increasingly so in higher education.

In Virginia, the once revered “Social Compact” of public funding of higher education at something approximating a 70-30 ratio has been saluted and revised by the General Assembly in recent decades.
All too frequently that ratio has been reversed with consequences that resonate today with negative impacts on student tuition as well as faculty compensation, research as well as teaching. In FY ’16, Virginia was 43d in the nation in higher education appropriations per FTE student.

In an era when higher education is essential to economic growth and vibrancy, something has to change; and that’s true in both Virginias, the Golden Crescent as well as the “rural horseshoe.”

As we know, there is “in the air” these days talk of tax windfalls and tax reform, due to last year’s changes in the federal tax code. Something similar happened when I was in office.

In the months ahead, the “talk” will turn to proposals, then debates and decisions.

This might be the moment when the question should be posed: given its value in an uncertain world, whether in good times or bad, should there be a sustainable funding source for education?

If there is a non-general trust fund for transportation in the Commonwealth’s biennial budget, funded from gasoline taxes and related sources, why not a dedicated source of funding for higher education, indeed all of education?

The design of such a funding model, understandably, would generate much debate, but that is not without merit. For the occasion would provide an opportunity for a robust engagement on this irrefutable point: that education has value that should not be “turned on and off” like a faucet.

Interestingly, a sustained funding source for higher education could be of immense value in the Commonwealth’s reaching its proclaimed goal of the Best Educated State in the nation in less than a dozen years.

Finally, this comment for our distinguished and accomplished presidents: none of these thoughts, observations and recommendations, if judged worthy, will come to fruition unless they are understood and appreciated for their ability to raise our horizons, to elevate our collective appreciation for education’s value, and to provide hope for a better future.

That requires better communication with the citizens of the Commonwealth.

That requires marketing the message of higher education’s role and value in the increasingly complex world in which we live.

In short, we must restate the case for higher education.
And that has to involve the leadership -- a large portion of which is sitting here today -- of Virginia’s public colleges and universities.

No one is better suited to demonstrating the connection between investment and return; between higher education and economic growth; between higher education and social and civic progress; between higher education and a more civil society; between higher education and the American future.

SCHEV can help coordinate the effort.

Presidents, like no other individual, personify their institutions; and while presidents have the power to lead their colleges and universities and manage their resources, they, also, must project the power, the impact—and the values—of their institutions.

Presidents have the obligation to explain to the public the critical role of higher education in American society and why it should be supported.

They should be good at it with messages that are clear, concise and compelling, and should envision their roles, in addition to leading complex institutions, as ambassadors for all of education. After all, being a leader of higher education means going beyond the confines of the campus.

Remember this: the cold, hard demographics are evident; the challenges are constant and evolving, but “nothing happens until something moves”.

In my judgment, it's time to move.

Just look at the map.

Thanks very much.
THE RURAL HORSESHOE

#50 in the nation for educational attainment
27% hold at least an associate degree
19% of adults fail to graduate high school

THE REST OF VIRGINIA

#2 in the nation for educational attainment
47% hold at least an associate degree
10% of adults fail to graduate high school