

Higher ed needs more help

BY LUIS M. PROENZA

Gov. Taft's Third Frontier Project will advance technology initiatives that stimulate economic growth and competitiveness, and it is an essential part of a public policy agenda that long has been lacking in Ohio. However, as important as it is, this project is only one of many strategic investments needed to redress decades of missed opportunities.

Why? Because during the past 30 years Ohio has been steadily disinvesting in the very source that other states have recognized as the infrastructure for economic growth — higher education.

As a result, Ohioans are now paying the price of a lowered educational attainment that has brought per-capita income to well below the national average. And failure to invest in areas of economic strength or opportunity has made Ohio a laggard in innovation and new business startups derived from new technologies.

Quite simply, our system of higher education has been severely weakened by 30 years of neglect. None of Ohio's public universities are ranked as top-tier universities according to *U.S. News & World Report*, and only one — The University of Akron — has a science and engineering program ranked among the top five nationally.

Why? Because neither appropriations nor tuition costs across our state universities reflects the excellence or

opportunities of our universities.

It is not good public policy when even Ohio State University, our flagship institution, charges \$2,128 less than Miami, \$1,384 less than the University of Cincinnati and \$1,086 less than Kent State University. Rather, it suggests that there is no logical or market-driven structure to the pricing and organization of higher education in Ohio.

As it is, the costs among our universities reveals a large spread, or "tuition differential" — whereby the amount charged between our lowest- and highest-priced institution varies by a factor of two. That is a difference of \$2,514, and that translates into very large numbers, since for every 15,000 students, one university collects \$52.7 million more than another.

Moreover, the previously existing 6% across-the-board tuition caps worked to exacerbate these already irrational differences, because 6% of a larger number is always greater than 6% of a smaller number. Clearly, to again impose a cap — whether in dollars or percentages — simply prolongs the agony and does nothing to resolve the problem.

It is not good public policy when even line-item appropriations for industry-related programs at our universities are not based on strengths or opportunities. The one exception is agriculture at OSU, where \$63 million

per year is allocated to the second-largest segment of our economy.

Yet, although The University of Akron has been credited time and again for its role in creating the polymer industry, there is no line appropriation for its world-class polymer program or anything to help enhance its service to Ohio's largest industry.

By contrast, Ohio invests \$100 million in support of coal even though that industry accounts for barely six-tenths of one percent of our gross state product. All the while, several other Ohio industries are vastly underserved or not served at all.

Nor is it good public policy when our state fails to have clear expectations for excellence or for the support of its public universities. Ohio arguably has only one research university of national stature, OSU, and perhaps two, given Cincinnati's growth in recent years, with Akron and Ohio University the next closest contenders.

By contrast, the University of California system boasts 10 research universities of national distinction strategically located across the state, and will soon add another. That is one public research university for every 3 million people! A comparable analysis for Ohio, which is approaching 12 million in population, calls for the commitment and investment to enhance our leading universities — Akron, Cincinnati, OSU and OU.

Indeed, Georgia and California are examples of many states that recognize at least three — and sometimes more — types of institutions of higher education, and fund and price them at levels appropriate to each right from the time of their establishment. Ohio, by contrast, recognizes only two types of institutions of higher education — community colleges and four-year universities — and allocates state appropriations based solely on the number and type of student enrolled at each.

In other words, state funding to OSU is driven by the same formula that allocates dollars to any other institution of higher education. That, too, is not good public policy, since this approach does not facilitate the development of specific programs that support regional economic needs.

Gov. Taft's Third Frontier Project is an important beginning, but it is only the first step in dealing with mounting competitive pressures for Ohio's universities. What also is needed is a tuition and appropriations structure that signals an aggressive investment strategy — a policy framework that recognizes objective measures of institutional excellence and opportunity as well as regional economic strengths and realities.

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