



## The Role of Public Education in Economic Development

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This issue of *Thresholds in Education* is the result of a Symposium held at Northern Illinois University on May 1, 1982. The topic for the Symposium was "The Role of Public Education in Economic Development." The presenters were leaders from the fields of education and/or economic development. The articles in this issue are the transcribed and edited proceedings of the Symposium.

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Thomas L. Erikson  
Ronald Everett

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and a host of tangible and intangible environmental qualities to make a community better for its citizens).

Public education can become a responsive partner in economic development efforts to preserve, expand and open up new jobs in local communities, regions in the State of Illinois, and throughout the nation. The results can enhance the tax base for local educational agencies and other local governments. To what degree have we been involved in economic development activities as educators and policy makers? To what degree should we become involved in economic development?

In an attempt to answer these questions, a Symposium was sponsored by the Office for Vocational, Technical and Career Education at Northern Illinois University, DeKalb, Illinois, on May 1, 1982. The topic for the Symposium was "The role of public education in economic development." The audience consisted of educational policy makers (e.g., school board members, school superintendents, community college

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*Thomas L. Erekson is Coordinator for the Office for Vocational, Technical and Career Education at Northern Illinois University, DeKalb, Illinois. Dr. Erekson also serves as a member of the Board of Education for Sycamore Community Unit School District #427, Sycamore, Illinois.*

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Many communities have established economic development committees to attract business and industry. These organizations, in concert with chambers of commerce, have been more or less effective depending on the location of the community, the personnel, the organization, and the total involvement of local businesses and agencies (including the schools).

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**...the quality of life in a community is enhanced when there is an active, vibrant public school system.**

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Education can play several key roles in economic development. Obviously, the quality of life in a community is enhanced when there is an active, vibrant public school system. This can become a major factor in business/industrial relocation or expansion because employees and their families can be attracted by a strong school system. Most businesses are concerned about the quality of life in the community as it can affect worker satisfaction, relocation and productivity.

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# The Role of Education in Economic Development:

## An Overview

By Thomas L. Erikson

"Economic development" is currently a buzz term that has extensive usage in government and business because of the need to rectify our ailing economy.

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**Economic development is the process of expanding productive capacity and improving the quality of life in a community.**

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But, what is economic development and, what, if any, role(s) can education play in economic development?

Economic development is the process of expanding productive capacity and improving the quality of life in a community, an area, or a region. It has two equally important components: 1) Economic growth--increasing employment and earnings, 2) Community development--improving the quality of life (more and better schools, roads, hospitals, recreation, security, and a host of tangible and intangible environmental qualities to make a community better for its citizens).

Public education can become a responsive partner in economic development efforts to preserve, expand and open up new jobs in local communities, regions in the State of Illinois, and throughout the nation. The results can enhance the tax base for local educational agencies and other local governments. To what degree have we been involved in economic development activities as educators and policy makers? To what degree should we become involved in economic development?

In an attempt to answer these questions, a Symposium was sponsored by the Office for Vocational, Technical and Career Education at Northern Illinois University, DeKalb, Illinois, on May 1, 1982. The topic for the Symposium was "The role of public education in economic development." The audience consisted of educational policy makers (e.g., school board members, school superintendents, community college

trustees, community college presidents) university personnel and others interested and involved in economic development. Educational, governmental, and business leaders were invited to present their perspectives of the role(s) of education in economic development.

The Symposium proceedings are included in this issue of **Thresholds in Education**. This publication is an attempt to bring current information and ideas about education/economic development to the attention of key persons in government, business and education.

As a member of a local school board in a community that has been very supportive of and involved with the schools, I became very concerned when poor economic conditions negatively affected the quality of our life. People are out of work, profits are down, the tax base is affected, and services are cut back. This is happening in our community and throughout Illinois. However, there are several things that can be done to enhance or develop the local economy.

Many communities have established economic development committees to attract business and industry. These organizations, in concert with chambers of commerce, have been more or less effective depending on the location of the community, the personnel, the organization, and the total involvement of local businesses and agencies (including the schools).

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Education can play several key roles in economic development. Obviously, the quality of life in a community is enhanced when there is an active, vibrant public school system. This can become a major factor in business/industrial relocation or expansion because employees and their families can be attracted by a strong school system. Most businesses are concerned about the quality of life in the community as it can affect worker satisfaction, relocation and productivity.

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*Thomas L. Erikson is Coordinator for the Office for Vocational, Technical and Career Education at Northern Illinois University, DeKalb, Illinois. Dr. Erikson also serves as a member of the Board of Education for Sycamore Community Unit School District #427, Sycamore, Illinois.*



In addition to quality of life issues, education has three major roles in economic development: preparation of a skilled workforce, basic economic literacy, and basic educational skills. Education can become a catalyst in economic development by fulfilling these roles.

Generally, when considering the role of education in economic development, the most visible role is the contribution of preparing a skilled workforce. The public schools and community colleges are participating in job training through vocational education programs. Public vocational education has helped to prepare millions of Americans for jobs. More recently, access to job skill training and a skilled workforce has been successfully used to attract and retain businesses. Access to a skilled labor force is one of the three major factors in business relocation, the other two being access to capital and access to markets. However, vocational education programs need to be responsive to the needs of individuals and businesses. Local schools and community colleges need to establish sound policies for strong vocational education programs.

The role of economic literacy is vital to the American free enterprise system. Education should be providing relevant instruction in the basics of our economy. Graduates who are "economically" literate tend to become better consumers, workers, and participants in our society. To accomplish this, it does not mean that additional courses in "economics" must be added to the curriculum. Rather, free enterprise and economics content can be integrated into existing courses and programs. This has been demonstrated by

the Illinois Council for Economic Education. The Council has developed curriculum materials and has sponsored several inservice workshops to inform teachers how to use the materials.

Basic educational skills is another area where education can play a key role in economic development. Schools need to prepare students with competencies in the basics of reading, writing and arithmetic. Persons who lack basic skills are not going to be very employable in a high technology society. And, they probably will lack the necessary skills to gain economic literacy.

Each of the three major roles presented above needs consideration and re-evaluation by educational policy makers and policy implementers. In times of dwindling financial resources for education, it is imperative that educational agencies work together with other governmental agencies and businesses to develop the economy. The direct results for education is an expanded tax base which translates into more dollars for the programs.

The articles in this issue of **Thresholds** include perspectives of the role of education in economic development from various viewpoints. These include: government, vocational education, post-secondary education, and private industry. The ideas and concepts presented are intended to make policy makers aware of the leadership roles that education can play in economic development.

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# The Role of Education in Economic Development:

## A Perspective from the Illinois Commission for Economic Development

By James A. Anderson

The Illinois Commission for Economic Development is a unique commission that was established about 15 years ago with legislation that also created the Illinois Department of Commerce. That legislation said, in effect, that Illinois needed a department to work with the business community. Illinois also needed something separate from that Department which could look over the needs of the state and provide recommendations for policy that would benefit economic development.

The Commission for Economic Development is a permanent legislative commission. The executive director who comes out of private industry serves a term of two years. Some of the past directors have come from Continental Bank, Standard Oil, Caterpillar, Staleys, First National Bank of Chicago, and other large businesses within the state. The Commission's membership is made up of seven state senators, seven state representatives, and seven private citizens appointed by the governor. We work in tandem with that membership to affect policy and to affect legislation. Our strength is based in the fact that we are a by-partisan commission, made up of an equal number of Republicans and an equal number of Democrats. The advantage to this structure is that economic development is not a partisan issue. One of the most unfortunate things going on in the State of Illinois right now is that the race for governor has picked up economic development as a primary focus. It is extremely unfortunate because economic development is not a political issue. The throwing of the words back and forth between what is going on, or what is not going on, in economic development is damaging. Hopefully, we will get through it and in November we will get back to the right focus of Republicans, Democrats and people working together to provide more and better jobs in Illinois.

The Commission prepares a report each year for the governor and the legislature. The current report is an interim report which comes in the "off" year. The report zeros in on only a few subjects with limited

detail. A follow-up report in January will cover additional topics in greater detail. Then the Commission will hopefully be affecting more legislation than during the "off" year. Our primary focus this year is on education and its role in economic development.

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**...from my perspective, economic development is jobs, working, and it is a high quality of life.**

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Economic development has become an over used and disjointed term. In the absence of recession, when unemployment is at 4%, "economic development" carries a very low priority in government, business, labor and/or education. Right now though, it is carrying a very high priority and everyone has picked up the phrase, "I'm in economic development." Dr. Erikson stated that it is hard to define economic development and I agree that it is in a technical sense. However, from my perspective, economic development is jobs, working, and it is a high quality of life.

Illinois, as a state, is in a very tenuous position and we have a lot of friends with us. The midwest and the northeast are all suffering from some of the same kinds of economic problems. Economic development has really become a competitive field. Every state has a department of commerce, or an economic development group, that is aggressively going out to attract new business and to retain the businesses that they have.

The sunbelt states are really taking over, attracting new industry. People get concerned and upset at this because everyone seems to want to move to and work and have their business in the sunbelt. There may be some industries in the midwest that belong in the sunbelt because they can prosper more in a less labor union intensive area. What we need to do is make sure that they are replaced. The flight to the sunbelt is going to continue and the mid-west is going to lose some heavy manufacturing. We don't want to encourage this loss, but we need to understand that this is going to happen. There will probably be a day when it comes back.

Illinois should now be focusing on the service and the high technology industries. These are the areas where we have something to offer. We need to encourage

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*James A. Anderson is the Executive Director of the Illinois Commission for Economic Development in Springfield, Illinois. Mr. Anderson is on leave from Illinois Bell Telephone Corporation and will serve a two year term as the Executive Director for the Commission.*

direct foreign investment in our state. We also need to encourage export. And the key to all of this is through education.

I was dismayed when I sat in the State Capitol and listened to Governor Thompson's "State-of-the-State" message. I was dismayed when he talked about economic development and what Illinois was going to do. He talked about training. But what he said was that Illinois has two programs in the state: the Industrial Training Program (ITP) and the High Impact Training Service (HITS). These are terrific programs that the Commission supports and works for their continued appropriations. However, the total investment that Illinois makes in these two programs is less than two million dollars. The Governor did not mention the

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community colleges, the secondary schools, and the universities where the state invests hundreds of millions of dollars each year. The Governor is very proud of the education in the state, and knows it is one of the best educational systems in the country. The problem is that there has not been enough pressure or emphasis on education and its relationship to economic development. Not enough people are saying to the Governor's staff that the future of Illinois is through the education system; the training and development of people with skills. We are now going to start emphasizing this because I think that it is exactly where the future is.

A lot of things need to be done, but it has to start at the top, with the Governor and work its way down. The Commission's primary economic development focus is on retention of business. We don't want Illinois to lose a business. We must make the effort to keep them up to date and support them. Secondly, we want to attract business into the state. High technology industries are what the Commission wants Illinois to pursue. High technology is hard to define. I have been talking to a lot of college people both at the community college and university levels learning a little about what high technology is. At Rend Lake Community College in Mount Vernon, high technology is mining coal. It was proven to me. The coal miner is operating a million dollar piece of high technology equipment and that coal miner has to be trained in the high technology field.

I have spent a lot of time with the people at Triton College over the last few months. I went to Triton College, not to view their training or their education programs, but to see how they market themselves. Their attitude is that, "Triton has a service to provide to business and you better listen. We will go after you, seek you out, and tell you what we can do for you." They handle it in a very business like manner. Triton has a contract with General Motors that

helped them develop their marketing skills. What Triton knows about General Motors is unbelievable. I don't think they knew much before their contract with General Motors, but now they know the policies and the objectives of the General Motors Corporation. And, they think and breathe and act like General Motors when they're training General Motors people. General Motors used to do this training themselves. Economically, it made sense for General Motors to tie themselves to some professional trainers. Triton College had the foresight to recognize that it had better find out what's going on in the business world if they were going to enter into this type of contract. They are both winners; Triton College is making money from the program, General Motors is obviously saving money and receiving good service or they wouldn't continue with the contract.

The marriage of education and industry is going to be a tough one to get together. In addition to visiting community colleges, and universities, I've also been visiting the private sector. I don't like the answers I get when I'm talking to the private sector, as you probably don't in some of the dealings you have, but I understand, because I'm from the private sector. What they are saying is "we can't join in a marriage with education" or I think the word they use is "academia." "They don't understand, they don't know our problems, nobody can train us but ourselves, no way can we allow our people to be in a classroom with our competition." I listen to these things and fortunately, because of some of the things that are going on in the state now, I can say "you are wrong." I didn't have the confidence to say that when I was in the first industry I spoke to, which was Illinois Bell, but I have it now. Its being done. The corporations have the most up-to-date equipment there is. And, if they are going to stay in business, they will always have the most up-to-date equipment. So, when they get involved in budget cuts, as all of us are feeling, what gets cut? The training program and the personnel for the training programs are going to get cut.

Education is going through the same problems right now. All budgets are being cut. And this is not a really good situation when you are trying to get your state from a heavy manufacturing to a high technology/service type industrial base. Education is not the area to be cutting. The solution is simple: let business have that fine equipment that is up to date, let education have the people who are up to date on training, and get them together. It's almost too simple.

There are also some legislative areas that need to be fixed. Right now we discourage people who are directly involved in education from training somebody for a job. We encourage education to train somebody for a degree. The Commission hopes to get a bill introduced to encourage the education of people for jobs. That might mean a training program of one day, two weeks, three months, or whatever. Currently, education is not funded for this type of training because



it doesn't lead to a degree. Some have said "let's do it, anyway." I admire that.

Crane's recently had an article about Illinois and our current role in economic development. The article basically was comparing Illinois with some other states such as Ohio, North Carolina, and a couple of others. The article stated that Illinois entered economic development a little late, but at least Illinois is involved now. I wish the Crane's article would appear in all of our newspapers across the state, because you know who reads Crane's? Those who really don't need to read that article. I think it's okay that we got into the race a little late, as long as we are in it. I think that we better double our efforts, and we better learn from those who have been in it longer. I don't think there is a better place to learn from than North Carolina, who officially and constructively started their economic development program 30 years ago. During those 30 years, they have had Republicans and they have had Democrats as governors and their program has continued. North Carolina brought in education for research and training. Their real ploy all along has been the education. Their community college system is really founded on the concept that we would like to get back to Illinois and that is training for jobs, and not just for education's sake.

One of the things that Illinois has initiated is called Illinois Incorporated. I have heard people and legislators say that "Illinois Incorporated is nothing more than a marketing program." This is true, but, we need that marketing program. I think if any of us would walk out on the street and see someone who appears to be a businessman and ask him "how is Illinois as a place to do business?" He will say "it's rotten." Do you know why? Because all that he has heard is how bad it is to do business in this state. The folks who supposedly represent the businessman are telling him everyday in every publication they send out that Illinois is a bad place to do business. Along comes Illinois Incorporated and one of the first groups they tackled to get the cooperation of business and government in "selling" our state was the Chamber of Commerce. The Chamber was one of those groups who were telling everyone how bad it was to do business in Illinois. They joined hands with the governor and Illinois Incorporated and now they can't say that Illinois is bad for business--they are helping to pay for advertising about how good it is to do business.

The governor went to a business that was doing the same thing, one that you may have heard of, Caterpillar Tractor Company. They were putting out news releases about how bad it is to do business in this state, and if you don't "fix this and you don't fix that" we're leaving. I don't think Caterpillar did all of that in the best conscience, because one of the announcements that they made, maybe a year ago, maybe a little more,

was that if you don't fix workman's compensation in this session of the legislature, we're going to build a plant in Wisconsin. You know they owned that land in Wisconsin for over twelve years and they planned to build there at some time. Caterpillar joined the Governor and Illinois Incorporated. Caterpillar is now spending, along with the state, to tell people all over the country and the world what a good place Illinois is for business. So Illinois Incorporated is a marketing program and it is a good one.

Triple A Cities or Certified Cities is a program that is going to be introduced soon that allows the local community and economic development people to know what it takes to attract business and industry and how to do it. A city can be non-rated, an A, a double A, or a triple A city. A Triple A City is ready for industry right now. It has the infrastructure, the sites, etc. It's another marketing program.

However, what we need in Illinois is one more marketing program. We need to put education at the very top of the list and to start marketing our education system. Bob Atty who is with Fanas Corporation, one of the largest corporations in the world that advises businesses on relocation, said that training and skills are going to be the number one reason a business locates or relocates. Not taxes, not workman's compensation, but training and skills are going to be the number one reason that a company stays or relocates.

Illinois is not ready for that yet, but we better get ready very very quickly because this recession is starting to wind down. I think we are all starting to clamber together and say we have got to do something for economic development in Illinois. I want to see more of a marriage between government, private industry, labor and the education system in Illinois. I want to see the incentives for the education system to do their utmost job in creating jobs. I think that the answer is to market what we have. We have a great deal to market. It can be done and it ought to be done together.

I am very impressed with the leadership Northern Illinois University has exhibited in economic development with a model for this seven county area. Across the state we have not been together in our universities, our community colleges and our secondary schools. How are we going to get together with the private sector, labor, etc.? We need to move very quickly and we need to market what we have.

I appreciate this opportunity I have had to address this audience. I recognize that my role is as a catalyst and that is a role that I want to perform. I want to be the catalyst that starts to market the terrific resources that we have in the State of Illinois for training and skills.

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# The Role of Education in Economic Development:

## A Perspective from the Illinois State Board of Education,

### Department of Adult, Vocational and Technical Education

By John Washburn

James A. Anderson, in his article "The Role of Education in Economic Development: A Perspective From the Illinois Commission for Economic Development" did a better job of describing the role of public education in the economic development arena than I probably can, and coming from him, it is probably much more important than it is in coming from me. However, I would like to add a few things.

I represent the Illinois State Board of Education. There are two State Boards of Education in Illinois. There is the State Board of Education which is with a capital "E". It is a 17 member board, 16 are from the 5 judicial districts in Illinois and one at-large member. They are appointed by the Governor. THE Board is responsible for public and private recognition of education in grades K-12, adult education and vocational education. There is also the State Board of Education with a little "e". It is made up of all the professional and operational staff in eight major departments within the State Board of Education. To put things in perspective, I work for one of those eight major Departments, specifically, Adult, Vocational and Technical Education.

This article will focus on the vocational education area within the State Board of Education. But I fully suspect, and I think you would probably agree, that our schools in general do a lot for economic development, community development, and the quality of life. Schools provide students with basic skills as well as technical skills and the economic development issue goes far beyond what we as vocational educators are trying to do to provide technical and employability skill training.

To put things in a little bit closer perspective, there are seven major systems that train people for and about work. I fully recognize education, the vocational program that we have here in Illinois, is only one of those seven systems. We have the military, CETA agencies, business and industry, the apprentice-

ship programs, the universities, proprietary schools, and last but not least we have our public vocational education program.

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**Vocational education for a long time has been concerned about jobs...What we can do in vocational education to help people get jobs,...and also what we can do in vocational education to provide employers in the State of Illinois with the employees needed...for a skilled workforce.**

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One of the questions you might ask is why would the State Board of Education be interested in economic development. I think, Jim Anderson said it well, when he said Jobs. Vocational education for a long time has been concerned about jobs. And jobs really from two different perspectives. What we can do in vocational education to help people get jobs, consistent with their abilities, aptitudes, and interest, and also what we can do in vocational education to provide employers in the State of Illinois with the employees needed to meet their needs for a skilled workforce.

I would like to give some examples of the things that are happening in Illinois. Often times, when we talk about economic development, in vocational education we talk about things like the HITS (High Impact Training Services) program, which is a very important customized training program. However, let me emphasize that there is a massive vocational education program out there that is providing vocational skills for youth and adults. They are providing people with the technical skills, basic skills, and the survival or employability skills that they need to succeed in the labor market. The "regular" vocational education program out there is the program that is training over 500,000 secondary school youths every year and over 300,000 post secondary and adult students in our community college system.

Now, over and above the benefit to the individual person, vocational education means a lot to the economy. Our federal economy is simply an aggregate of all of the local and state economies, and if we can help people to get jobs, if they are not drawing unem-

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*John Washburn is the Manager of the Research and Development Unit, Illinois State Board of Education, Department of Adult, Vocational and Technical Education in Springfield, Illinois.*

ployment, if they are not on the welfare roles, this kind of effort does a lot to help our economy.

We do lot in vocational education in the small business area. We have community colleges all over the

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**...we have just come out with a set of materials to help secondary school teachers let youth know how they can be involved in a whole variety of job creation kinds of efforts.**

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State that are offering courses in small business management. We have a complete set of materials to help youth and adults to gain entrepreneurial skills, and we have just come out with a set of materials to help secondary school teachers let youth know how they can be involved in a whole variety of job creation kinds of efforts.

Vocational education programs improve productivity. Obviously, you can sit up here and say "He's an idealist. What can vocational education do to improve productivity?" Well, as I go around talking to employers, I find that one of the things that employers are looking for is not only youth with good basic and technical skills but also youth that have darn good employability skills. Pride in work, good work habits, good attendance, loyalty to the company, those kinds of affective skills which are most difficult to teach. The State Board of Education has put together a complete set of materials now that are being used by secondary schools, community colleges, and also a number of CETA prime sponsors to help students get employability skills--those affective skills necessary for participation in the world of work.

And last but not least is relationships that we have in vocational education with business, industry. We in the State Board of Education have established excellent relationships with the business, industry, labor community. We have the High Impact Training program (HITS), that Jim Anderson mentioned. It's a program that will provide funding on a very quick turn around to provide trainer salaries, instructional materials, and supplies for new or expanding businesses. We try to match HITS up with the Department of Commerce and Community Affairs Industrial Training Program (ITP) for the client participation. The estimate now, as of 1978 when we started that program, was that there have been over 2000 jobs created by the High Impact Training program.

I went through the HITS listing from 1980 and tried to identify a couple of programs that are right here in this area of the state. Illinois Valley Community College had a contract in 1980 that trained 50 people as production operators for Almite Manufacturing. Rock Valley College, trained employees for assembling and packaging equipment for Midland Mechanical. Stevenson Area Career Center has trained persons for the Kelley Tire Company. Vocational education is involved in with large new and expanding busi-

nesses and industries in Illinois as well as helping all of those small businesses (not necessarily new) by providing small business management kinds of programs.

Another example of how we are working with business, industry and labor. Lockport High School has started working this past year with a firm in Lockport called Kinetic Systems. They have located an employee from Lockport High School right out in the Kinetic Systems facility and next year they will start training students in electronics on an extended campus basis in the Kinetic Systems plant. Those students will receive not only technical skills and employability skills but also basic skills while right in the Kinetic Systems facility.

Dusable High School is an inter-city high school that has twenty-five students attending the Dawson Skills Center community college program in machine trades. Every one of the students has been promised a job if they want to finish at the end of 12th grade. If they want to go on to the tool and die program, they can choose to do that. It has been a cooperative effort, not with the State Board of Education, but between the Chicago Public Schools, the City Colleges of Chicago and the Machine Trades Association which has a dire need for workers in the Chicago metropolitan area.

I could tell you about the ethanol production plant that we are involved with down at the Vienna Correction Center. They are going to be producing all the alcohol for the State vehicles in the next year or two. I could tell you about some of the other kinds of things that we have going on in Peoria with the Tri-county Industry Education Labor Council. Suffice to say, that I strongly feel that the public schools have a vital role to play in economic development.

If you look at the definition that was on the brochure, you saw the emphasis on community development. When I am wanting to move to a community, the very first thing that I do is go to the schools and see what the schools are doing. If the schools are good and I get a good feeling about what is going on in terms of education, then I also have a good feeling about that community. I fully believe people look at that when they make decisions. I hope that I have convinced you that we have a role to play.

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# The Role of Education in Economic Development:

## A Perspective from the Illinois Community College Board

By David Pierce

For those of you who are not familiar with the Illinois Community College Board, it is the coordinating board for community colleges in Illinois, one of five (5) boards under the umbrella of the Board of Higher Education. The focus of my comments will be restricted to the community college system.

I agree that "economic development" is not a term whose definition is universally agreed to. "Economic development" can mean different things to different

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**...you can make a compelling argument that baccalaureate oriented programs in community colleges also contribute to economic development.**

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people and it depends on the situation at a given time and the conditions which are in effect. We often think of economic development as being somehow related solely to programs for business and industry, but you can make a compelling argument that baccalaureate oriented programs in community colleges also contribute to economic development. It can be conceptualized that students in baccalaureate oriented curricula are enrolled in the first two years of an occupational program of four or more years in length. Being in training to become an engineer will ultimately lead to a significant contribution to the State's economy. So you can make the broader argument that almost all forms of education relate to economic development.

Community colleges have five general areas in which they can make a major contribution to economic development. The first one, previously stated by John Washburn, in "The Role of Education in Economic Development: The Perspective of the Department of Adult, Vocational and Technical Education" is that community colleges are a major delivery system for vocational education. In this role, we are talking about providing traditional business and industry with a supply of skilled manpower. We are talking about mechanical designers, electronics technicians, agricultural producers, etc. Normally, this role is focused on business and industry in a generic sense rather than at a specific company. These kinds of programs are usually one or two years in length.

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*David Pierce is the Executive Director of the Illinois Community College Board in Springfield, Illinois.*

The second contribution of the community colleges, is that they are a delivery system for shorter term vocational programs. It is in this area that we more often relate to economic development. This function includes programs which are often directly linked to a specific industry. In installing a new production line an industry might need 50 workers with specific skills. The community college can customize a training program to accomplish that purpose. These short-term vocational programs can also be designed to satisfy general manpower needs of a given community.

Many of the community colleges have developed administrative units called business and industry institutes for the purpose of administering programs which relate directly to the needs of business and industry.

I attended a meeting yesterday at the College of DuPage where several practitioners from institutes were participating. Some examples of the types of programs they offer included a program on time management and supervision sponsored by Lake Land College; a workshop on concentration and stress management sponsored by Danville Area Community College; and a program on problem solving, plant layout, and materials handling sponsored by McHenry County College.

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**...industry and business simply will not have a productive worker unless that worker has the ability to perform basic computations and read basic instructions and directions.**

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A third role for community colleges in economic development is the development of basic skills. One might not ordinarily think of this as being related to economic development, but industry and business simply will not have a productive worker unless that worker has the ability to perform basic computations and read basic instructions and directions. This deficiency is a continuing and ongoing problem. The average age of the community college student has risen from approximately 24 years of age to 27 years of age in the last decade. Along with this trend has been a reduction in the reading comprehension level of the average student. Nationally, reading comprehension has dropped two grade levels in the last decade. I am uncertain what this statistic is for Illinois, but my estimate is that it is comparable. This is an important area of contribu-

tion for community colleges.

A fourth area relates to the general level of understanding of the economy. I opened the folder for this Symposium which was distributed this morning and noticed a brochure on the Illinois Council for Economic Education. As I read that brochure, it impressed me that this organization is important to the state be-

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**It is my observation that the populace as a whole does not adequately understand what makes our economy function.**

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cause its mission is to upgrade the level of understanding of the economy in our state colleges and universities, and ultimately in the population as a whole. It is my observation that the populace as a whole does not adequately understand what makes our economy function. It seems to be common belief that the economy has been there all along and that somehow it always will be. There is a greater need to understand the relationship of productivity and job attitudes to the economic. The problem of absenteeism is substantial. I am unfamiliar with the research, but my guess would be that if the absenteeism problem could be significantly improved, productivity would probably increase enough in industry to solve a significant part of our economic problem. I am of the conviction that the area of economic education of both students and the community is a major contribution that community colleges are making.

The fifth and final area that I will suggest as a possible role for community colleges involves cooperation with communities in their economic development initiatives. In Illinois, many communities have some form of economic development program. If they don't now have such a program, it is likely that they will in the near future. Jim Anderson in his article "The Role of Education in Economic Development: A Perspective From the Illinois Commission for Economic Development" mentioned the Certified Cities program which DCCA is planning. This program will be initiated in the near future and should stimulate communities to organize programs of economic development. Community colleges can play an important role by cooperating with these communities in organizing and implementing their economic development plans. In some communities, community colleges will play a supporting role while in other communities, they will take a leadership role. Different areas have different personalities and different leadership resources. Danville Area Community College has become a leader in the economic development initiatives of its community and I know of other areas within the state where this has been the case. On the other hand, many communities have effective economic development programs in place with the community colleges cooperating as a community resource.

There are several issues influencing economic development which will offer future challenge. I will touch briefly on a few of these. Political decisions

can override the best of plans. If the Legislature were to increase the benefits of unemployment insurance and workmen's compensation above the current levels it would likely neutralize aggressive industrial recruitment and expansion programs now in place. At the federal level, political decisions can have a profound impact on a state's economy. At the present time, Illinois is getting back \$.74 on every dollar it sends to Washington. If some political decision changed that amount to \$.64 on every dollar, the economic impact would be extreme. On the other hand, if the federal government decided to locate three new military bases in the State, it would positively impact our economic problem. Although political decisions have the potential for negative impact, sound economic development programs still need to be in place.

Equipment obsolescence is going to be an increasingly acute problem. It might well be one of the significant challenges for community colleges in the future. With increasingly sophisticated technology to train for, education does not have adequate funds to maintain "state-of-the-art" equipment. Within the last two weeks, one community college was given a negative report by the North Central Association solely on the basis of potential equipment obsolescence. I am very concerned about this area.

I am pleased that someone mentioned that "high-technology" is difficult to define. I figured it was just my problem. Addressing this area properly, posed both an equipment problem and qualified instructor problem. Trained personnel in "high-tech" areas are being hired by industry at salary levels which make it difficult for public community colleges to realistically compete. It is not always easy for community colleges to access this pool of qualified and skilled instructors. Related to this last point is the emerging role of business-sponsored education. Industry today is spending about the same amount on educating its own employees as all of higher education in this country. The trend is there and I believe that community colleges must recognize that trend and establish a constructive response to it. How we deal with this will be very important for the future of community colleges.

Illinois will finalize a comprehensive economic development plan in the near future. Most components of it are now in place and good things are happening, initiatives are being taken, and momentum is building. As this plan is implemented, I believe that community colleges will play a pivotal role for the State. Community colleges have already contributed significantly to economic development and I believe that they will contribute even more significantly in the future.

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# The Role of Education in Economic Development:

## A Perspective from Private Industry

By Gerald W. Schmidt

It is a pleasure for me to participate in this Symposium. There are several reasons for my feeling so positive about this meeting. First, as a graduate of Northern Illinois University, I am comfortable, almost "at home," here. Second, I am with a group of people who have contributed, and continue to contribute, to a professional area which is my career choice, initially as a public school teacher, but more recently as a trainer employed by private industry.

Prior to enrolling at Northern Illinois University it was the public school system of Illinois that provided my educational foundation. This is to point out that we have a number of things in common...including, I suspect, some concerns.

What are some of these concerns that we share, you in public education and we in the business of industrial training? Certainly finance, funds to permit us

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**Certainly physical plant, material and equipment are concerns, but the two most important may be time and human potential.**

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to perform our jobs. Certainly physical plant, material and equipment are concerns, but the two most important may be time and human potential. We are mutually concerned with managing resources to produce a product that will meet the demands of the marketplace. Are we currently meeting those demands effectively? Are we managing available resources in the best interest of society?

Obviously I cannot speak for society as a whole, but I will in the next few minutes, try to answer the question from a viewpoint gained from five years of teaching in the public schools and seventeen years in various training assignments at Caterpillar Tractor Company.

Let me make it clear at the outset that I do not speak for industry as a whole, or even for Caterpillar, not that Caterpillar would necessarily disown my comments. Permit me to speak as a training manager who, by both happenstance and good fortune, is employed by Caterpillar, the state's largest private employer.

Caterpillar's business fortunes are being buffeted by a number of new waves. We are in a race with our competitors to retain leadership in the construction equipment business. This past February 12, Caterpillar chairman Lee Morgan told the Peoria Rotary Club "Caterpillar is not in a battle for survival...but we are in a battle for leadership in the construction equipment business. The world's number two manufacturer of earthmoving machinery is Komatsu; number three is I.B.H. of Germany; and number four is Fiat-Allis of Italy. American companies were once our top competitors, but no more." You are well aware of the plight of International Harvester and the American auto manufacturers.

Ryjoichi Kawai, President of Komatsu, has said publicly "We will not remain satisfied to be in second place to Caterpillar forever. For the time being, we will strive to be the world's number one in terms of product quality, technology, standards, and after-sales service." At Caterpillar, we take Mr. Kawai's comment with utmost seriousness. One of our continuing strategies has been to learn all we can about our competitors—especially the Japanese.

As a company goal, Caterpillar intends to continue to grow. We are committed to growth even though current economic conditions are causing delays in our planned capital spending. We have reduced our 1982 capital spending forecast from 700 million dollars to 600 million dollars. If we are to reach our growth goals, we need to make further gains in productivity. We know technology can help us with that objective if we have people who can manage technology properly. Manufacturing processes continue to become more sophisticated and more dependent upon technology.

Computers are aiding engineers in designing product and components. Computers are controlling machining systems, not just one machine, but families of machines that work together. Computers direct robots. Computers help us store, retrieve and move material. Computers even control the volume and temperature of air being circulated through our factories and offices as weather conditions change (ventilating a 30 acre building can be a challenge in a climate that changes as rapidly as it does in Illinois). At our plant in Aurora we have more than 100 acres under roof. Other technologies being considered or implemented by Caterpillar include telecommunications, word processing and lasers.

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*Gerald W. Schmidt is the Training Manager for the Caterpillar Tractor Company-Aurora Plant in Aurora, Illinois.*

Another factor affecting our business is the change in the makeup of our workforce. Semi-skilled and unskilled employees are diminishing as a percent of our total employment. Employee groups that are increasing as a percent of the workforce are skilled maintenance people, especially electricians, machine repairers, technicians - employees who implement new processes, tools and machines; and the engineers and accountants who have specialized functions critical to our business.

This current technological revolution is providing us with new processes because our school systems have helped to develop scientists, engineers, electronic and computer experts. I will refer to these people who are bringing new technologies to society as "designers."

Technicians in our industry, implement technologies to provide productivity gains. These technicians need some of the knowledge of the designers, but certainly not all of that knowledge.

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**The gap between the designers, on one hand, and the technicians and maintainers on the other, is real, growing, and impossible to close without education.**

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Maintainers are those who make the processes work after they are implemented. They include maintenance personnel, electricians and machine repairmen, including all employees whose ideas and energies contribute to improvements in our manufacturing system.

The gap between the designers, on one hand, and the technicians and maintainers on the other, is real, growing, and impossible to close without education. It is this gap that we in industry must emphasize. It is this gap that we must close if we are to make the productivity gains necessary to remain competitive.

We believe we can meet these challenges. But we, and many other industries and businesses, need help. We will be looking for help from our employees, suppliers, labor leaders, government leaders and people in our plant communities.

Before I describe some specific ways that schools can be of help, let us look further at some conditions that impact on all of us.

First, elementary and secondary schools are perceived as doing a far better job preparing people for further schooling than preparing them for the world of work. This condition was substantiated with the following startling statistical summary from the American College Testing Conference:

Five high school students are being prepared for two job openings requiring a bachelor degree. While those five are being prepared for two jobs - only two high school students are being prepared for six jobs requiring skills that can be developed by vocational education.

Secondly, unemployment is concentrated on those who do not have job survival skills. This group includes the young people who lack experience, lack communication and computation skills, lack goals, and

frequently lack the self-confidence necessary to maintain the determination required to find employment. Some of these deficiencies can be traced back to our inability to help those people achieve traditional, valuable educational goals.

Thirdly, in 1990, the Illinois senior high school graduating class will contain 30% fewer people than the 1979 graduating class. There will be fewer people entering the workforce - fewer outstanding candidates and fewer average candidates for employment. Fewer people will need more skills as technology increases specialization.

This population shift will also affect Illinois' adult population, a population that will expand more slowly, a population that will look for competencies that will help them to become employed or improve their employment situation.

At Waubonsee Community College, the community college serving the greater Aurora, Illinois area, approximately 10% of the students already have bachelor degrees. According to Dale Parnell, President of the National Association of Junior and Community Colleges, nationally, 15% of the students enrolled in community and junior colleges already have a bachelor degree. Clearly, many of these students are continuing their education to obtain marketable skills.

Illiteracy affects our adult population. Twenty percent of the adults in the U.S. are functionally illiterate and the group is growing at the rate of one million per year. We have not found programs to deal with this deficiency that limits economic success. Adults need more education. Some will seek it, others will not until benefits of further education become tangible and obvious to them. So what can we prescribe? What can public education do to help especially at a time when enrollments are diminishing more rapidly than costs. I have five major recommendations:

**Recommendation #1:** Provide the fundamentals: communications and computation skills, the 2 C's.

Your product, your graduates who have these skills can acquire other skills. They can adapt to changing requirements. Your product, your graduates who may have many other fine attributes, but who cannot exhibit communication and computation skills, will encounter further difficulties with the world's rapidly changing expectations. And, as long as some of your product lack these skills, your customers will suspect other deficiencies.

What are those skills? Reading technical educational materials that have higher reading difficulty than college preparatory materials. Writing sentences that have identical meaning to different readers at different times in a variety of locations. Speaking, listening and questioning for fact, feeling and impact on others. Computation skills that allow students to add, subtract, multiply and divide whole numbers, decimals and fractions; calculate areas encompassed by

simple plane and solid figures; transpose linear algebraic equations. These are basic skills that allow individuals in the industrial world to adapt to changes around them.

Consider methods, including competency testing, that will assure you, your teachers, your students, and your taxpayers that these skills are being developed in your educational system.

**Recommendation #2:** Develop a school system that is as adept at preparing students to enter the workforce as it is in preparing students for more schooling.

Traditionally, schools have said, "students make their own choices. That's their responsibility." Those choices are based upon their own limited experiences and the advice and experiences of family members, teachers and friends. Counselors and teachers are college graduates, therefore the advice given is more frequently to follow the pattern most familiar, get the four year degree.

Most parents don't understand the job market. To them, the "safe way" is to get the four year degree especially if that's what the school people say to do, and unfortunately, the alternative, the world of work, is not really being considered.

To achieve this recommendation, all students should be exposed to:

1. Jobs and work - success requirements and rewards
2. Economic awareness - the free enterprise system
3. Marketable skill development activities.

Some programs are bringing students, teachers, business and industry closer together. Let me describe several of these programs. During the past several years, an economic education workshop has been hosted by Caterpillar's Aurora plant. It provides school teachers in the area with the opportunity to learn about materials and methods that can be used to teach economics in the classroom. Participants in this workshop have been favorably impressed and follow up contacts with them indicate that the materials are used in the classroom. This year's program will be held at Caterpillar August 9th through August 20th, co-sponsored by Valley Industrial Association, Greater Aurora Chamber of Commerce and the Illinois Council on Economic Education.

Another program supported by our local Chamber of Commerce is Economics Education for Young Americans, a program developed by the Esmark Foundation. These are materials soon to be implemented at ten area high schools to help teachers and students better understand competition, pricing, wages and savings.

Another program started this year in Aurora is "adopt a school." Sixteen local firms have "adopted" elementary, middle and high schools. Activities have

included guest speakers, field trips for teachers and students, and many other creative activities that are drawing business, industry and schools together.

Yet another program just moving into reality is one called The Career Information Foundation, a non-profit corporation. Its purpose is to identify jobs that will be seeking job holder to ten years into the future. As those jobs are identified, the Foundation, in conjunction with the public television industry, will video tape employees at work in those occupations. These ten to fifteen minute video tapes will then be made available to area schools so students can more readily see and hear what it takes to be successful in the world of work.

**Recommendation #3:** Review how your community identifies and services the changing needs of adults.

The current lack of economic stability is causing many adults to seek additional education. The community that can help its adults shift from one job to another, to regain employment, or upgrade employment, will obviously improve the quality of community life.

To help business and industry provide needed employee training, Waubensee Community College has developed the Business and Industry Institute which helps local business identify its training needs and provides teaching services and programs that can satisfy those needs.

**Recommendation #4:** Review programs that have similar objectives in your community.

The over-lap between area vocational schools, vocational programs in high schools and community colleges do exist and will continue to exist. A comparison of program participants, objectives and results can identify those programs that are duplicating efforts. These programs may also be competing for resources needed in other programs. By reducing the duplications the dollars available per student and teacher could increase the effectiveness of community education.

**Recommendation #5:** Re-examine what you expect of students that you graduate and consider elevating your minimum expectations.

Recent studies of Japanese business successes reveal some differences in societal expectations. At least two of these differences apply to school systems.

1. Japanese employers don't understand the term "absenteeism rate." Japanese workers not only at work more regularly, but are embarrassed by absenteeism.
2. The Japanese have produced quality products, quality which is now respected worldwide. Twenty years ago the phrase

"made in Japan" had a different meaning than it does today.

How is the quality of school work measured in schools in your community? What attendance requirements have been established and what are the consequences for not achieving quality work or not attending school regularly?

A year ago I taught two night classes during the same semester. One course was for sophomores, juniors, and some seniors on this campus (Northern Illinois University). The other, shop supervisors in a supervisory management program at Aurora College. During these courses, I attempted to emphasize and reward attendance equally in both groups. The supervisor group won easily. They attended 95% of the sessions -

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**...the public should expect schools to be as successful in preparing people for the world of work as they are at preparing them for more education.**

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the college students attended 88% of the sessions and were much more critical of the attendance expectation.

I submit that the public should expect schools to be as successful in preparing people for the world of work as they are at preparing them for more education. If this goal is to be achieved, graduates must be expected to have:

1. Communication and computation skills
2. Career and economic awareness, and
3. Some success in skill development programs--hopefully skills that will be marketable.

Adults need change. Changing economic conditions will continue to cause employment shifts that impact upon adults. Those adults will enroll in educational programs that lead to employment or improved economic security. Taxpayers will continue to expect you to monitor programs to avoid duplication and to avoid spending more dollars than necessary in order to achieve valid results and objectives.

Finally, taxpayers want to receive value for each dollar spent. They want schools to maintain high expectations. Most people who participate in the educational process want to achieve significant results and are willing to "work" at learning if those learning goals are relevant, valid, and practical. Please review what your system expects in terms of quality and attendance.

Today we have asked for your help. We recognize we are but one segment of society asking for support. Thank you for being here and listening. But most of all, thank you for helping to maintain an educational system that allows us to have the opportunity to share these thoughts and these important responsibilities.

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# The Role of Education in Economic Development :

## A Perspective from the Illinois School Problems Commission

By David Elder

I want to make it very clear from the beginning that I don't consider myself an expert in economic development. However, I do know a little bit about the problems that are facing education, and the importance of a good public school system. I welcome this opportunity to share some of these thoughts with you.

I am here to talk to you relative to the role of public education and the extent to which there is a relationship with economic development. James Anderson's article relative to the partisan aspects of this issue is disturbing. I don't think there should be a Democratic and a Republican approach to economic development or to education. I don't think there should be a State Board of Education approach to educa-

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**My approach to school problems is the "working together" concept...**

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tion and a School Problems approach to education. I don't think there should be a teacher approach to education and a school administrator approach to education. I have never believed that in any of the capacities that I have served. My approach to school problems is the "working together" concept and I am very pleased that we are making some progress in that regard particularly in the relationship with the School Problems Commission and the State Board of Education.

I think it is unfortunate that we haven't done a better job of looking ahead at where we are going as far as education is concerned. For instance, we knew in the 1960's that regular school enrollments were going to decline, but we didn't plan ahead to be adequately prepared for that particular thing happening. We have known for years that common labor was being replaced by machines, but we didn't adequately make the transition as far as the training of young people was concerned. We knew that the unskilled and untrained would swell welfare rolls in the unemployed list. We are paying the price for not doing something more about this sooner. We should have known that having the schools accepting more and more responsibility would dilute the basic education program and that negative reactions rather than positive reactions could be the

result. I would like to add at this point, in reference to something said in the James Anderson article, I hope as far as future planning is concerned that we do not make the same kind of mistake and train people that are not the people we need for the Illinois of the future. I could go on with this line but I think that you get my point. We should not yield to the temptation of joining those who want to criticize somebody else for all of our problems, but we should be willing to look at ourselves and ask how we, in education, can offer better leadership.

Now I would like to spend just a little bit of time talking about the role of the school, what I think it is and what I think it should be, and my concept of what people seem to think it is. We hear a great deal about back to the basics, the frills in the curriculum, and so forth, without analyzing the demands placed on our schools for a variety of reasons. One of the things that bothers me most is the extent to which the schools have become a battle ground for all of our nation's social problems. I don't know how many of you have read the book **Don't Blame the Kids**. If you haven't read it, I suggest that you might want to get a copy and read it. One of the things that the author talks about is the extent to which we have allowed schools to become the battle grounds for social problems, rather than those issues being resolved in an arena where they can be more appropriately addressed. However, they have been placed as a responsibility for the schools. Not only has this created problems but we have not performed too well as far as meeting a number of those particular problems. Also, if more time is going to be spent on these kinds of programs, then the amount of time that can be spent on the "basics" and some of the things we consider more directly education's responsibilities will be reduced. Just to give a little bit of a shopping list, a tremendous amount of time and energy and financial resources are channeled to food programs, medical programs, bussing programs, truancy programs, counseling programs, remedial programs, preschool programs, parental education, adult education, bilingual education, and on and on and on, in addition to reading, writing, and arithmetic. I am not saying that the schools should not be doing any of these things. And, I'm not saying that the schools should be doing all of these things. I'm simply saying that we need to recognize the impact on the educational program when we expand the role of the school to

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*David Elder is the Executive Director of the Illinois School Problems Commission in Springfield, Illinois.*



include all of these areas. I think that perhaps we have caused ourselves some rather severe difficulties by making people think that the schools can do something for everybody, that we can solve every problem there is no matter how severe or what type it is. We have assumed some responsibilities that I personally question as basic responsibilities of the public school system. As a result this has been one of the things that has contributed to public attitudes that exist toward the public school system at the present time. include all of these areas. I think that perhaps we have caused ourselves some rather severe difficulties by making people think that the schools can do something for everybody, that we can solve every problem there is no matter how severe or what type it is. We have assumed some responsibilities that I personally question as basic responsibilities of the public school system. As a result this has been one of the things that has contributed to public attitudes that exist toward the public school system at the present time.

Now I would like to discuss attitudes--public attitudes, student attitudes, educator attitudes, and how we might deal with some of these problems. As far as the public attitude toward education is concerned there is no question in any of our minds that it has been taking a negative trend. And, that negative trend in public attitude has resulted in less support for education. Not only less support in the financial sense, but less support in some of the other aspects of support that are vital to the maintenance of a good public school system. This negative attitude on the part of the public is reflected in demands for accountability and minimal competency testing. No matter how we feel about this and no matter to what extent we feel this is unjustified, we can't just simply sweep it under the rug and ignore it. We have got to deal with it. This is partially due to the fact that public school parents have now decreased from about one in two of the voting age population to one in four of the voting age population. And, in just a few years it is going to be less than one in five. If we are going to have this kind of situation with a constantly diminishing percentage of the voting population having that direct contact with the schools, we are going to have to deal with school issues in a different way than we have in the past.

As far as student attitudes are concerned, I could basically repeat the same thing I have already said because I think the attitudes of the students are basically reflective of the attitudes of society. I again say that we can't blame the kids for the attitudes they might show and the increased amount of vandalism, declining student achievement, and those

kind of things when we have a negative trend as far as the general public is concerned. I think that one of the most significant problems as far as educator attitudes is concerned is to end the fighting that has been occurring and has become more prevalent in recent years. A tremendous amount of time is devoted to pulling against each other instead of pulling together as much as possible to try to solve school problems.

I hope that by now you aren't wondering if I have completely forgotten the topic of this Symposium. I haven't and I hope that you see the connection between

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**I hope that those who have a primary interest in economic development will not only tell us how the schools can serve them better, but will tell the public that the schools are for the benefit of all...**

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what I have been talking about and the subject of this Symposium. Early court decisions relative to the purposes of public education indicated it is not for individual benefit per se, but the for the general welfare. I am concerned that many people, including some members of the judiciary branch, seem to have lost sight of the role of the school for the general welfare. The role of the school is to provide the basic foundation for our way of life. I hope the result of this Symposium and other meetings like it will be a recognition of the role of the public school system and the need for the renewal of the support it has received in the past. I hope there will be greater awareness of the importance of a good public school system in the area of economic development. I hope that those who have a primary interest in economic development will not only tell us how the schools can serve them better, but will tell the public that the schools are for the benefit of all, whether or not one happens to have a child in the public school system. If we can develop a better partnership along these lines everyone will benefit. I would agree with Jim Anderson when he suggested that some of this has to start at the top. But, within the framework of some of the things I am talking about, it is going to have to start at the bottom. And, only as we develop a greater attitude of cooperation and partnership and pulling together is the public school system going to survive and strengthen itself and do a better job in fulfilling its role in the area of economic development.

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# The Role of Education in Economic Development:

## A Perspective from Higher Education

By William R. Monat

Economic Development is a topic that is of central interest to Northern Illinois University and it is a matter of central importance to the community colleges in this area. Our economic development plans are to involve four community colleges (Kishwaukee, Waubesa, Rock Valley, and Elgin), other governmental agencies, and private business and to focus on the economic development requirements in this part of the state. It is an interesting model, and I know on the basis of the meeting we had about two weeks ago, that Norm Jenkins, President of Kishwaukee College, shares the enthusiasm that we have about the potential of this approach.

Being the regional University serving a significant population concentration in Illinois, Northern Illinois University has a particular and intense interest in the subject, "The Role of Public Education and Economic Development." I have had a chance, as I hope you have, to have read through the report of the Illinois Commission for Economic Development. From my perspective, the recommendations included in the section on Education and Training sets an agenda for all of us. It is certainly an agenda which points us in the right direction.

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**We are on the verge of developing at Northern...a task force on economic development coming out of the hard sciences...**

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I have had a number of conversations over the past several weeks with members of this University community not only in the College of Business, but also from the hard sciences, particularly those members of the hard science faculties that are interested in industrial applications. We have enormous potential for harnessing the human resources and the physical resources of many of the state universities in a concerted effort to address an issue which should be a vital concern to all citizens of Illinois. We are on the verge of developing at Northern, for example, a task force on economic development coming out of the hard sciences where that task force would develop mechanisms so that the resources of the applied hard

scientists on this campus could be focused on the needs of the high technology industries. We have a physicist, for example, who, if he had been consulted half a dozen years ago, would have told the people who constructed the Three Mile Island plant that they were in for trouble. Now there are known utility companies from all over the United States beating a path to his door. What we need is to identify these kinds of resources for answers that are critically needed. We at Northern are very optimistic about a role that we can play, and I am very optimistic about the role collectively we can play and Ed Harris will be talking about this this afternoon. I am pleased that there is this interest and that as many of you as did committed a Saturday, one of the few nice Saturdays we have had for a long time, to join in a common discussion about a matter of common interest and of vital concern to the state of Illinois. So once again "Welcome!" I have a sense that we will be seeing each other again and again.

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*William R. Monat is President of Northern Illinois University, DeKalb, Illinois.*

# The Role of Education in Economic Development:

## A Perspective from the Illinois State Advisory Council

### for Adult, Vocational and Technical Education

By Peter L. Johnson

I am going to make a few remarks from the perspective of the Illinois State Advisory Council for Adult, Vocational and Technical Education (SACVE). The State Advisory Council is a group of people appointed by the Governor to advise the Illinois State Board of Education in matters concerning Adult, Vocational and Technical education. It is mandated and funded by Public Law 94-482. The people on the Council are basically from business, but educators, labor and agriculture representatives are also included.

My remarks today come as a result of nine public hearings conducted by the Council this past year. The

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**...there are many excellent vocational programs in Illinois...but education has to go to industry and tell their story.**

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hearings were held in the business and industry arena such as the DeVon Bank in Chicago, the Gates Rubber Company, the Caterpillar plant in Joliet, the Greater Chamber of Commerce in Rockford, and other locations such as these throughout the state. Several things came out of these hearings that I think would be appropriate to mention.

The first thing that we hear is there are many excellent vocational programs in Illinois. You have heard a lot about them, but education has to go to industry and tell their story. Educators sit in their corner, and business sits in theirs, and they don't think that we in education have much to offer, and we think that they are just going to accept us, but they aren't. They need education and training and Illinois has it in many places, but we have to get out and tell the story. I hope that would be one of the things you would take back from this Symposium. Education has to work closely with industry through advisory councils in developing relevant curriculum and updating equipment.

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*Peter L. Johnson is the Executive Director of the State Advisory Council for Adult, Vocational and Technical Education in Springfield, Illinois. Prior to being appointed Executive Director of the State Advisory Council, Mr. Johnson was principal of Sycamore High School in Sycamore, Illinois.*

David Pierce in his article "The Role of Education in Economic Development: A Perspective From the Illinois Community College Board," mentioned that antiquated equipment is going to continue to be a problem. Some industries are very willing to adopt a student. For example, you have heard that in the city of Chicago industry is "adopting" schools. I come from the neighboring town and one of the things we did in Sycamore was to identify over 150 businesses and people that were willing to work with one or two students in our high school to acquaint them with the world of work. If the student wanted to find out about being a doctor, or being a machinist, people were available to take some time with them.

Another problem that the advisory council mentioned to the educators the other day is that Illinois has got to keep teachers current with technology. This is a very difficult thing to accomplish because teacher educators have a difficult time keeping up. They are teaching teachers and new technology is expanding in industry. There has got to be some type of program where you can interchange, or at least get teacher educators and teachers out working with business and industry. Our students are not going to come out well prepared if the teachers don't have this opportunity.

Another thing that concerns education is flexibility, the length of courses, the times of offerings, etc. The Council heard the other day that Triton College has a midnight program. It starts at midnight and classes go until three or four in the morning. I'm not suggesting that we all do that, but the variety of weekend offerings may be an area that we, in education, need to take a look at.

I took a trip to New York this fall to look at their vocational education programs. They are very high on economic development. In the Long Island area they have community colleges and area vocational centers built right next to the industry. Gromer Aircraft, for example, has a technical school right on the same grounds, and they use the people from that plant as teachers. They also require seven years of industrial training before a person can become a vocational teacher. I think the universities have to look at the delivery system and give credit for these years of curriculum methods of instruction and what have you to

help prepare more technically competent teachers.

Illinois needs to build on what we currently have and we have a lot of good things going. But, we need to focus on the needs of industry and individuals. Nontraditional programs for those with handicaps are types of things we have to look at. Forty-four percent of the labor market today is made up of women and 15% are minorities.

Kids are making career decisions with very little background. We may have to have more programs for parents. The High School and Beyond Study reveals that the mother has the most significant impact on the student's high school course of study and eventual career decisions. I wonder how many schools are having career education for the parents?

Basic skills keep surfacing, such as speaking, writing, reading, and computation. All teachers are first teachers of kids. Just because they teach industrial arts or home economics, it does not mean that they do not have any responsibility for teaching basic skills. I know an agriculture teacher at our high school that, for a particular individual, teaches more math and public speaking than our math department and our speech department. These types of things can be done through a vocational course and it may be the catalyst that will "turn on" the student.

Industry says that we have to teach that "profit" is not a dirty word, that people are in business to make a profit. Some teachers have a little problem with that and we need to become realistic. Responsibility and honesty are another couple of areas that need attention. Decision making and job adaptability also keep coming through. Competency-based education was mentioned this morning. I have said many times that the high school diploma in many cases becomes no more than 13 years of belligerent "seat time." We need to get away from that. It is said that 20% of our graduates today could not pass the GED test. I was a high school principal for 10 years and I would probably be as guilty as the rest. Let's get back to the standards that are needed. We also need to concen-

trate on better standards in our various educational programs, tolerances for projects, typed letters with no errors, bookkeeping projects 100% correct, etc. Let's get away from the A, the B, the C. When the student goes out on the job the work has to be "right" or it hits the round file.

Another area where the Council thinks it has to happen is planning on a regional basis. President Monat mentioned that Northern is working with four community colleges. That is just a start. I see the community college working with the feeder school districts and using the sites and the people that are already out there. The other night I had the chance to

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**Taxpayers are not going to continue to support programs that don't make efficient use of resources.**

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visit with some local advisory council members and some vocational teachers. I saw some duplication of programs. A young lady at the meeting who teaches word processing for an area vocational center also teaches at the community college in a beautiful lab. Three miles away there was another word processing lab that had no students in it in the evening. What I am saying is that there may be a need for both of those labs but, if we have one good lab let's use it. We have got to work together and take advantage of the equipment we have.

Taxpayers are not going to continue to support programs that don't make efficient use of resources. The only way we can reduce the need for programs like CETA is to take a look at why we, as educators, are failing and why are some of these things happening. I have nothing against CETA, but I would like to eliminate it because we didn't need it, not because it is not good. CETA is just an admission of our failure. I hope that conferences like this are going to encourage the needed types of things to happen.

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# Education/Economic Development Programs that Work

By Robert D. Hutchins

Education/economic development programs that are working and/or planned were presented in concurrent sessions in the afternoon of the Symposium. The sessions included presentations from four community colleges, Northern Illinois University, and the American Vocational Association. A synopsis of each session is presented in the following three sections.

## Community College Programs

Representatives of four community colleges, Ms. Diane Edlund-Brush of Kishwaukee Community College, Malta, Illinois, Donald Johnson of Rock Valley College, Rockford, Illinois, Norman Paul of Waubensee Community College, Sugar Grove, Illinois, and Dennis Sienko of Elgin Community College, Elgin, Illinois, all shared their specific successes in economic development.

Waubensee Community College, Sugar Grove, Illinois, has a task force with representatives from business and industry, chambers of commerce, and professional groups. The task force is advising Waubensee on how it can best serve the needs of the local population and business and industry. In conjunction with this, Waubensee has published a brochure that describes the educational services it can provide for business and industry (e.g. job skill training, supervisor training). The brochure has been made available to all chambers of commerce in the district as well as economic development commissions, real estate organizations and the mayors of cities and towns within their district. Any company considering the area as a potential site is thus made aware of the services Waubensee can offer.

In addition, Waubensee has for the past several years been involved with in-plant training and human resource development. They have also helped businesses and industries analyze their training needs, design programs to meet those specific needs, select qualified staff, and conduct the programs with follow-up evaluations.

Rock Valley College, Rockford, Illinois, has been involved in High Impact Training Service (HITS) grants along with in-plant training. They have also employed full time people whose responsibility includes outreach to the businesses and industries, setting up special courses in a "management institute" which deals with management and supervisory training.

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*Robert D. Hutchins is a social studies teacher at Sandwich High School, Sandwich, Illinois, and a doctoral student in educational administration at Northern Illinois University, DeKalb, Illinois.*

Rock Valley College has worked with the local chamber of commerce in the organization of the "Council of 100." One hundred companies have made a commitment to contribute \$1000 for three years for the purpose of promoting the expansion of area business and industry, as well as the retention of business and industry. As a direct result of the Council, the White Sun Strand Corporation is planning to expand in Rockford.

A few years ago, the city of Rockford, the Rockford Board of Education, the Harlem School District, the County Board, the Sanitary District and the Transportation District came to Rock Valley College with concerns about the potential duplication of training efforts. These agencies offered to contribute funds if Rock Valley College would set up a governmental consortium to assist and facilitate training needs for all. It eventually cost each interested agency approximately \$5000. The result was a very successful project for assessing training needs and fulfilling those needs.

Kishwaukee College, Malta, Illinois, is striving to make local businesses and industries aware of course offerings that are service oriented. This has been accomplished by such programs as in-plant training,

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**"Education has long been the theoretical base from which economic development springs."**

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human resource development, career counseling and career education. Norman Jenkins, President, Kishwaukee College, is actively involved with economic development commissions in the district (e.g., Rochelle Economic Development Commission).

Economic development is the mission of all education because as Diane Edlund-Brush of Kishwaukee College so succinctly stated, "Education has long been the theoretical base from which economic development springs." Without education any economic development program will not be a lasting one.

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**Without retention [of business]...many local areas will use large sums of the tax payer's dollars to train youth and adults who will leave Illinois to seek a job elsewhere.**

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Ms. Edlund-Brush also pointed out that it is paramount that educators work closely with their local economic development organizations. Retention of the



future labor force is in direct proportion to the private sectors' industrial retention and recruitment efforts. Without retention of a trained future labor force many local areas will use large sums of the tax payer's dollars to train youth and adults who will leave Illinois to seek jobs elsewhere. If this potential labor force leaves Illinois, the erosion of the tax base will in time emasculate not only the institutions of learning which have trained them, but will render the local businesses and industries helplessly pursuing employees who do not possess the highly trained skills so desperately needed.

Elgin Community College, Elgin, Illinois, has used HITS, in-plant training and other related programs to assist local business and industry. They have a sophisticated network of communication with the communities they service by working in conjunction with local chambers of commerce, CETA (Comprehensive Employment Training Act) and PIC (Private Industry Council) councils.

The community of Elgin has been quite progressive with regard to economic development having traveled nationally soliciting industry. They have also solicited international corporations encouraging them to locate in Elgin.

The community has rebuilt a once decaying downtown section. They have sponsored trade shows which have attracted small business people who could not afford the high cost of exhibition for their wares/services at such places as McCormick Place and the Rosemont Horizon. Their success has been measured by successive exhibits where potential exhibitions have had to be turned down because of the overwhelming response.

The Flindler Corporation, a German conglomerate in power transmission manufacture, has located a plant in the Elgin area as a result of the cooperation between Elgin Community College and the Chamber of Commerce. HITS funds were used to send people to Germany to the Flindler Plant where they received initial training. Upon their return, additional HITS and ITP funds were utilized for training workers in their new Elgin plant.

Elgin Community College has also thrust itself into the explosive field of high technology with tremendous success. The Computervision Corporation donated \$650,000 worth of CAD/CAM (Computer Assisted Design/Computer Assisted Manufacturing) equipment. It has helped to train many qualified persons whose highly marketable skills have been utilized by Motorola and other companies in the district. They are also working with the Gerrod Corporation to train robot operators for robotics.

#### **A University Perspective and Plan**

Dr. E. Edward Harris, Office of Business Research at Northern Illinois University, believes that economic development must begin by fostering and strengthening business and industry retention efforts. It is also his belief that vocational education can play both a leadership and a participation role in the economic development scenario.

The three most significant problems related to economic and human resource development today and in the next two decades according to Dr. Harris are:

1. Declining productivity and inability of business and industry to expand and implement new technology.
2. Increase in business failures.
3. Failure of business and industry to meet unmet needs of older workers.

According to the **Wall Street Journal** of 15 February, 1982, the United States has dropped from first to seventh in productivity. U.S. factories were operating at a seasonably adjusted 70.4% of capacity in January, 1982; in the motor-vehicle and parts industry this figure was only 43.6%.

To help resolve the problems related to productivity, Northern Illinois University has been working on several strategies. First, NIU has been working with weighted financial ratios to design a model for predicting the potential for business success and failure. Another area for research and development is business and economic forecasting. Northern has purchased for \$1,500 a SAS Time Series Computer Software Program to assist in preparing industry-specific quarterly economic forecasts on a regional basis. The economic forecasting data will be compiled and interpreted on a quarterly basis for both corporate executives and economic planners on the Northern Illinois University campus beginning in the fall of 1982.

The necessity for economic forecasting has been highlighted by recent Dun and Bradstreet reports showing that business failures for the first two months of 1982 have grown the fastest since records have been kept. How can an executive plan without accurate updated information? Why do states such as North Carolina, Tennessee, Georgia, Oklahoma, and South Carolina have lower business failure rates? Could it be that they extensively utilize state and regional economic forecasting models to provide business decision makers with accurate information to assist them in their strategic planning?

To further assist agriculture, business, and industry to expand and prosper in the Northern Illinois area, next fall the University plans to co-sponsor a series of one-day drive-in invitational conferences with the Illinois Development Council, the Northern Illinois University College of Business Research Advisory Board, and hopefully, the Illinois Department of Commerce and Community Affairs. The overall theme for the nine conferences will be "Increasing Productivity." While specific conference topics have not been yet selected, they will focus on those areas that have the greatest potential for business and economic growth in the Northern Illinois area.

The second problem area that Northern has been trying to impact on is the alarming increase in business failures. To assist entrepreneurs desiring to go into business for themselves and to help decrease the alarming failure rate, the University is working to

design a computer program that will compute the amount of money needed for a prospective business owner to start up and operate a business in a community. This research and development activity will be piloted in

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**What must be remembered is that 653 businesses failed in the state of Illinois in 1980, for a 77% increase over 1979...**

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Rockford, Illinois, in the near future. This concept came from Tom Stapleton, Director of the Council of 100 in Rockford, Illinois.

What must be remembered is that 653 businesses failed in the state of Illinois in 1980, for a 77% increase over 1979, while nationally there was a 55% increase; and Dun and Bradstreet reported that in the first two months of 1982 the business failure rate was at an all time high.

The third and possibly most explosive problem area facing our country in the next two decades is related to the failure of business and industry to meet the unmet needs of older workers. Today, 16 out of 100 persons in the United States are at least 60 years old, compared with only 12 out of 100 in 1950. However, the middle range projections of the Bureau of Census indicate that 24 out of every 100 persons in the population will be 60 years old or over by 2030.

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**Educators have a responsibility to help provide youth and adults with the type of education needed to function effectively and to help strengthen the American economic system...**

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Educational programs are going to have to be more responsive to both human and economic development needs. Educators have a responsibility to help provide youth and adults with the type of education needed to function effectively and to help strengthen the American economic system. In addition to human resource development, educators also have an opportunity to provide leadership in fostering and strengthening business and economic conditions. The long term benefits of human resource and economic development activities that are effectively planned and in concert will go a long way in helping to strengthen business and economic conditions in any region, state, or nation.

The need for expanding efforts to coordinate the activities of public and private agencies providing a wide array of human resources and economic development services has never been more evident. Cooperative ventures established at the regional and state levels can make a significant contribution in improving the efficiency and effectiveness of services of both agencies and expand options for youth and adults. Creative linkages and cooperative planning can do a great deal in facilitating the transition of individuals from school to work, improving communication,

making education and training efforts more sensitive to the needs of business and industry, helping improve worker productivity, and in assisting with cooperative efforts to integrate school and work processes.

Human resource development is a critical component in building a sound economy and can best be achieved by effectively coordinating the needs assessment, planning, training, and retraining efforts of public and private agencies. With an awareness to the growing need of education and business to work hand in hand, productivity will be enhanced while creating more efficient means of utilizing our work force.

#### **A.V.A. Economic Development Project**

Dr. Kirshan Paul, director of the American Vocational Association Economic Development Project, shared information and materials from the project at the Symposium. He reported that many southern states discovered in the 1970's that investments in economic development paid handsome dividends. These states went out of their way to make industry welcome within their jurisdictions. Although the methods used to attract new industries were sometimes controversial, the efforts bore results. Starting with textile, furniture, and other labor intensive industries, southern states have now attracted high technology and capital intensive industries, such as chemical, electronic and machine building industries. The trend continued into the 1980's as the "sunbelt" has become a haven for industrial jobs. Faced with the loss of industries, jobs, and population, the northern states are trying to counter challenges from the southern and western states industries and also by competing more vigorously for new industries.

Another trend in economic development has emerged in recent years with the promotion of new small businesses and industries. Recent research indicates that most new jobs in this country are created by small businesses and industries. During the last five years a number of vocational educational programs have begun to provide entrepreneurial training to meet the training needs of small businesses. Even some of the southern states which are active in industry recruiting have started promotional programs to support and expand existing small businesses. This trend is growing stronger every year.

The American Vocational Association, under a contract with the U.S. Department of Education, undertook a study of these trends and other significant work in the area of vocational education and job creation. To learn more about the vocational educational programs that had successfully linked vocational education with economic development, a sample of 17 sites was selected for closer study. The sample included both statewide and local programs. The initial criteria for the identification (and nomination) of the successful programs were the following:

1. The program should have been in operation for at least one full year.
2. The program should have established formal agreements of cooperation between vocational

education and one or more economic development agencies (state and/or local community development professionals, banks, utility companies, railroads, etc.).

3. The program should have been aimed either at creation of additional jobs by recruitment of new business and industry into the area or at creation/development of jobs in the existing industries and businesses.

During the summer and fall of 1980 the 17 sites were visited by the project staff. Interviews and meetings were held with the vocational education and economic development leaders at every site to examine the linkages and determine the factors that were responsible for the success of vocational education's involvement. Others that were interviewed during the visits included program participants and instructors, industry and business coordinators and executives, CETA directors, elected officials and community leaders, and many other agency representatives that were part of the linkages or were involved in community and economic development.

Although the core of interviews and interviewees was fairly uniform over all 17 sites, no effort was made to select a predetermined sample of interviews at the sites. Both companies participating and the trainees praised the programs. The companies expressed satisfaction because it opened up a new source of qualified workers for entry-level jobs and provided a ready source of minority and female employees for production jobs — a requirement under federal and state regulations. The trainees were enthusiastic because of the guarantee and security of a job the program offered at the end of training. Discipline and absentee problems were either minimal or non-existent. Companies rated the new employees as good as or better than the rest of their work force.

Most of the programs at the 17 selected sites grew or evolved from 2 basic concepts. First, the industrial training concept originated in North Carolina and from there spread to most southern and some northern states, and also to some local sites. Among the 17 sites, industrial training programs were operative in at least nine states and local sites. The basic industrial training program guarantees a trained workforce to any industrial client who establishes a new plant or expands an existing one. Training service is used as an active tool to persuade industrial clients to create new jobs in the areas where programs are operated, often at no, or a minimal, cost to the clients.

The second concept grew out of local vocational institutions' concern to provide training services to individual entrepreneurs and to small businesses. Cooperative vocational programs and small business service programs in New York are two extensions of the concept. All sites, however, exhibited a keen desire and a dedication to improve the economic opportunities available to their citizens through a planned economic development program. Vocational education played an

important part in that plan and worked along with other public and private agencies to make the economic development program a little bit more successful.

Materials produced by this project are available for purchase from the American Vocational Association or for loan from the Illinois Vocational Curriculum Center at Sangamon State University, Springfield, Illinois. The materials include 1) **The Vocational Educator's Handbook for Economic Development**, 2) **Vocational Education and Economic Development: Case Studies**, and 3) **The Role of Vocational Education in Economic Development**.

**The Vocational Educator's Handbook for Economic Development** is a "how-to-do-it" manual which can be used to initiate new linkages among vocational education, economic development and other organizations interested in the training aspects of job creation. The Handbook is designed as a guide for vocational educators who are working as economic development/industry coordinators. The five sections of the hand-

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**The common theme is the need for education at all levels to become actively involved with business and industry in economic development.**

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book are 1) The Role of Vocational Education in Economic Development, 2) Preparation for Economic Development, 3) Planning for Industry Training Programs, 4) Sources of Funding and Technical Assistance, and 5) Selected Readings and Bibliography.

#### **Summary**

The synopses presented above are descriptive of some education/economic development activities, needs and plans. The common theme is the need for education at all levels to become actively involved with business and industry in economic development. The future of our state and our educational system depends on how well the "job" gets done.

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# Economic Development and Some Policy Implications for Education

By Ronald E. Everett

When unemployment figures hovered around the 4-5% levels, the annual inflation rate ranged between 6 and 8%, and the prime interest rate was less than 10%, there was little interest shown in economic development. As these economic indicators and others

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**It is now abundantly clear that "the" important challenge of this decade will be economic development and the agenda for the 1980's must address economic development and education.**

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changed in such directions that they described recession conditions, the topic attracted a growing audience and attention. It is now abundantly clear that "the" important challenge of this decade will be economic development and the agenda for the 1980's must address economic development and education.

To some, economic development is simply JOBS, while to others, a more sophisticated definition seems necessary. One such definition, endorsed by the State Directors of Vocational Education, sets forth this concept as a set of planned actions designed to 1) attract new industry, 2) expand existing industry, 3) revitalize existing industry and, 4) increasing the productivity growth rate. The goal of these actions is to positively change the quality of life and the economic base of the community, region, state and/or nation.

It becomes fairly obvious that we are really talking about fully and completely developing the resources of the community for its present inhabitants as well as future citizens. Community agencies and organizations have always existed in an environment of limits but at no time in our memory have these limits been felt so strongly. These constraining conditions are forcing those in leadership positions to realize that they can either design and create the type of future their communities want or they can sit back and let their cities and towns be the victim of whatever evolves by chance. Those who are not satisfied with simply letting the future develop undirected will become active in the issues of economic development.

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*Ronald E. Everett is an Associate Professor of Educational Administration in the Department of Leadership and Educational Policy Studies at Northern Illinois University, DeKalb, Illinois. Prior to the 1981-82 school year, Dr. Everett served as school superintendent in Manti, Utah.*

There appear to be many policy issues and decisions that can be made at the community college and local board of education level. The first policy area should address the following:

- defining what economic development means to your agency and identifying what actions will accomplish each of these objectives (master planning/long range planning);
- determining which of these activities possess appropriate roles for education; and
- deciding which of these roles you are willing and able (legally, fiscally, etc.) to adopt policies about that will let you carry out these roles.

The presentations of this symposium unmistakably suggest a second policy consideration - LINKAGE. Linkage is a multifaceted problem which must be viewed as a team effort. One agency cannot and should not attempt to go it alone. As the previously mentioned policy issue suggests, linkage with business and industry and linkage with other government agencies can potentially contribute to the tasks of economic development.

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**We have got to do a better job of identifying who the players are in economic development and how our institution can compliment, support and/or augment each of the roles carried out by these players.**

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We have all got to do a better job of identifying who the players are in economic development and how our institution can compliment, support and/or augment each of the roles carried out by these players. Each agency should clearly define for itself what the role or roles will be in terms of economic development and likewise discover what roles the other players will be playing. It is important that you remember that your agency's role is but one and that the pieces must fit. The profile that each agency or organization develops will range from aggressive and highly active in attempting to attract those elements into a community that enhance local economic conditions, to very passive (almost to the point of being completely unaware and uninformed). There will be roles that satisfactory execution of the master economic development plan for a community must see, but an agency may be legally or fiscally constrained from fulfilling that role. Someone must pick that role up if the plan is going to be completely implemented.



In linking with business and industry, local districts are mandated to have local advisory councils. Those advisory councils are to have representatives from business, industry and labor. These councils will facilitate articulation and non-duplication of programs. In terms of potential duplication, we are not using the limited resources we have to maximum benefit. Policies need to be developed in the area of advisory councils so that we get the input we need.

Other policy issues and decisions can be made at the community college and local board of education level that can be instrumental in accomplishing the goals of economic development: establish what our priorities are going to be, and establish the appropriate goals that are available to us. These goals and priorities need to be set with an eye to economic development.

A fourth policy area involves providing program excellence not only in terms of general education, but in specific vocational education programs as well. The message that we have a good educational system here, education is a priority in which the community takes some pride, and our schools have and can provide a well trained or trainable workforce is still an important element in economic development decision making.

The first decision that can be either consciously made or made by default is not to involve ourselves in economic development issues. Rather than letting this decision come about by default it seems clear that each governing board should as a minimum carefully and thoroughly study all elements of their local economy - property value, unemployment, gross sales, per capita income and the like - and determine 1) those areas that they can influence if they so choose, 2) analyze and project how getting involved and effecting change will enhance the particular agency, 3) deciding priorities and establishing parameters for using existing resources to create or expand potential revenue sources and 4) linking up with other economic development efforts so that coordination is maximized and duplications of effort and gaps do not develop. Scenarios of each alternative development must be carefully described.

We need policies covering economic literacy. The Illinois Council for Economic Education has curriculum materials and other things to help kids understand and know the free enterprise system. Many junior high and middle schools do some things in mass production to simulate American industry. The kids set up junior achievement type companies and they learn, at the junior high level, what it is like to sell stock, manage a business, work on the assembly line, market a product, liquidate a company and other type activities. Those are good experienced for kids so they can understand our American free enterprise system from a very real, yet practical, point of view.

Another area that education can help and one that was not really addressed at the Symposium is in the area of general health and physical fitness. We want to increase productivity. We are talking about

absenteeism. If people knew about nutrition, how to carry their body properly, exercise, proper sleep, about alcoholism and drugs, we could lower absenteeism and raise productivity. Education has many things that it can do in the health area and we should set policies in that area.

In concluding, let me refer to a recent article from the **New York Times** that makes reference to a study done by the Council of Governors. They studied why business either remained in a location or why it relocated in another state or another community. They discovered that the main reason that businesses relocated was access to economic capital: could they get the capital they needed to build and expand at a reasonable rate of interest? The second reason for relocating was access to markets: could they get their product to market? The third reason was labor: a skilled labor force, an adequate and skilled labor

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**Economic development's dependence on education is much more than simply having strong, relevant and viable vocational programs available to secondary age students and adults.**

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force to produce their products. Tax incentives were not real reasons that businesses and industries leave a location and move somewhere else. They are really looking at the big three: capital, access to markets, and labor--skilled labor. We should be aware of these factors. We can help businesses and industries in many ways, particularly in the area of labor--preparing people with good basic skills and good job skills.

Economic development's dependence on education is much more than simply having strong, relevant and viable vocational programs available to secondary age students and adults.

In summary, educational leaders need to develop an awareness and a visibility in the area of economic development because the educational agency they lead or direct, whether a local board of education or a community college, will benefit directly in the following ways: 1) higher property value, 2) increased community support for education and the schools, 3) greater economic stability, 4) enhanced educational opportunities for students, 5) a stabilized or growing student population and 6) improved employment chances for students.

The benefits to the community are of equal importance: 1) high property values, 2) jobs, 3) economic stability and 4) an improved quality of life for all citizens through expanded services and improved facilities.

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