



Colleges, Universities, and the Current Crisis

BY KEVIN P. REILLY

At a time when access to college is increasingly vital to our overall economic well-being, the dire global financial situation threatens to deter more and more people from following that dream. Almost daily we hear reports of colleges and universities around the country forced to consider unwanted options: greatly increased tuition, reduced or capped enrollments, layoffs of faculty and staff members, halted construction projects, scaled-back investments in innovation.

To survive the current crisis, we will do what we must. At the same time, we must take care that decisions made now don't undermine our longer-term mission—to prepare people to face the future and flourish. Those larger goals should and must prevail. We must tighten our belts, but we also must offer a vision that will keep us on course to achieve the brighter prospects over the horizon.

The simple reality is we have to do more with less. We have to increase the number of Americans with college degrees to keep up with other countries that are leap-frogging ahead of us, and we cannot afford to do this at the current cost per student. Here in Wisconsin, we spend \$1,500 less per student than the national average. Yet we have increased enrollment by 11 percent over the past decade, to an all-time high of approximately 173,400. Our campuses also conferred more than 32,400 degrees last year—another record and a 21-percent improvement over the decade.

To achieve these gains, we boosted retention and graduation rates and eased transfer opportunities, while reducing the number of credits necessary for students to complete their degrees. We've done this while keeping the UW System's administrative costs among the lowest in the nation—and its reputation for quality among the highest.

University and college standard-bearers also must reiterate the importance of higher education to society at large. Education experts widely acknowledge the link between educational attainment and economic strength. Degree-holders can expect to earn higher incomes than those without degrees, yes, but a society that has more high-wage

earners also will generate higher tax revenue, which means better services and more attention to the common good.

In addition, we must continue to promote and support universities' important role as economic engines. We are vital centers with the ability to translate research into new discoveries, new industries, and new jobs. We must continue to leverage our innovative ideas to help develop solutions for the communities in which we live.

Why is it so important that we persist in these endeavors now despite the significant obstacles? The U.S. Department of Labor predicts that in the next four years, three million more jobs will require bachelor's degrees, and we won't have enough graduates to fill them. Projections indicate that the United States needs to produce 16 million more college graduates by 2025 to match the pace being set by today's leading industrialized nations.

How will we do this? Some believe it's time for the federal government to play a new role. In December, an open letter from the Carnegie Corporation of New York ran in both the *New York Times* and *Washington Post*. The letter, signed by more than 40 college presidents, chancellors, and trustees from around the country—including the University of Wisconsin System—reiterated the critical role of higher education in an economic stimulus package. Others have called for an overhaul of the federal financial-aid system, to simplify a difficult process that often intimidates many eligible students.

The challenges we face are daunting, but we cannot afford to turn away. Just as American universities fueled the prosperity and social advancement of a post-World War II nation, our institutions of higher education now need to help the country break out of the current crisis by developing a smart, innovative, highly skilled workforce for the 21st-century knowledge economy. Our work is more important than ever to America's maintaining the competitive edge that has been the foundation of our strength and standing in the world.

Kevin P. Reilly is president of the University of Wisconsin System (kreilly@uwsa.edu).

We must tighten our belts without undermining our long-term mission—to prepare people to face the future and flourish.