



To increase the percentage of Americans with high-quality degrees or credentials to 60% by 2025 [Read the strategic plan »](#)

luminafoundation.org[Forward to a friend](#)[Subscribe to this email](#)[Subscribe to Lumina's Daily Newsletter](#)

June 2012 | Linking Postsecondary Credentials to Employment & Higher Earnings

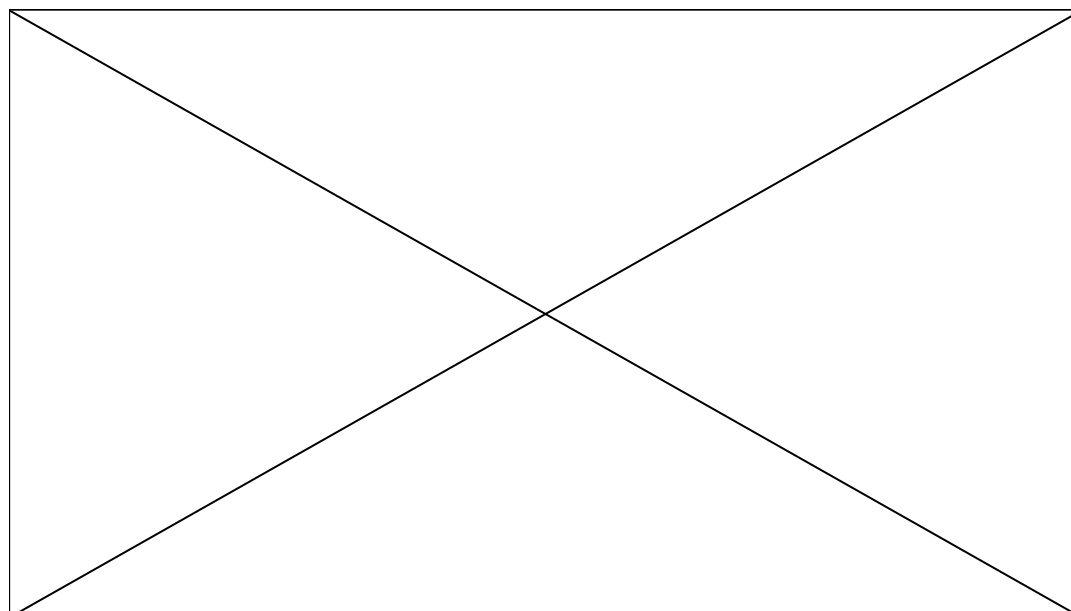
[Listen to page](#)

[Certificates: Gateway to gainful employment](#)

Postsecondary certificates are the fastest growing form of college credentials in the nation, with more than one million awarded annually. A new report, [Certificates: Gateway to Gainful Employment and College Degrees](#) from the [Georgetown University Center on Education and the Workforce](#) describes the value of certain postsecondary certificates in terms of earnings and employment. The report provides data on the demographic characteristics of certificate holders and states where certificates provide the highest earnings return.

[Philanthropy and the middle class](#)

Equity of educational opportunity is a shared value, and philanthropy has a responsibility to increase post-high school attainment not just for individuals but also for the nation's collective well being, said Lumina [President/CEO Jamie Merisotis](#) during a discussion on the role of philanthropy on middle-class life at the 2012 Annual Conference of the [Council on Foundations](#).



KAI RYSSDAL: Angela, let me first turn to you and say, first of all, thank you for coming. And throw you the first 'how do we do this' question. Those things that Don was talking about. Those policy issues, those education problems. There are so many things we need to do in this country. How do we do those basic things?

ANGELA GLOVER BLACKWELL: Thank you for the discussion. It was very interesting. The first thing we need to do is we need to change this conversation so that we're not talking about somebody else.

KAI RYSSDAL: Hang on one second. Can you all hear her? Yeah? OK. All right.

ANGELA GLOVER BLACKWELL: We're not talking about somebody else. We're talking about ourselves. We're talking about the future of the nation. The fact that the middle class is vulnerable and slipping away will redefine the nation. And as we're thinking about what the nation is going to be, we have to face the fact that the demographics that are changing really will define the future in some profound ways. I want to show a video.

[VIDEO PLAYBACK]

[END VIDEO PLAYBACK]

ANGELA GLOVER BLACKWELL: That was a PSA that we had running on Times Square for six weeks, trying to make the point that the rapidly changing demographics will define America's tomorrow. I want to show another video that's an animated map looking at the changing demographics from 1980 to 2040. And the darker shade represents areas in which 50% or more of the population is of color, and the slightly lighter orange is 30% to 50%.

KAI RYSSDAL: That's great. Is there a way we can run that again? Just because that went really fast. If we could just run it one more time. But please keep going with your thought.

ANGELA GLOVER BLACKWELL: I'll keep going. It would be nice if you could run it again. Here it goes. And what you're seeing is that some places where you wouldn't even expect it, you see the majority of people will be people of color. Already nearly half of children in this country are children of color. 46+%.

And so when we think about the future, we have to understand that what happens to the people that this nation has been too comfortable leaving behind will determine what the future looks like. And so we've got to change our mindset first.

KAI RYSSDAL: Jamie, how does that complicate your problem, right? Changing demographics in this country. And getting people educated so that they can participate in this new economy that Don was talking about.

JAMIE MERISOTIS: From my vantage point, the way to see it is, it's an opportunity for the country, not a problem. The point that Angela's making, which I really think is right on, is this is about collective well-being. This is about our shared future as a country. And whether it's Latinos, African-Americans, which are the two largest disadvantaged populations, or whether it is-- I want to come back to something Don was talking about, about the labor market. Which is adults, another very important group that we've got to think about, besides these young people coming up through the system. The point is, we have to see their future as our future.

And that shared well-being is terribly important when it comes to our role in philanthropy. Because I think we have a major role to play in terms of informing and influencing the trajectory of the change that's necessary for our society, whether it's educational, or labor market, or social in some other way.

The easiest way to think about the problem that we face is that we have both a labor market problem and an educational market problem. The labor market problem, which Don was talking about, is that we simply don't have the kinds of jobs that we had before. And we have this mismatch terms the educational system.

What's most interesting is that right now, even in this kind of an economy, unemployment rates for people with higher educational levels are dramatically lower.

KAI RYSSDAL: Oh, it's extraordinary, yeah.

JAMIE MERISOTIS: And what's even more interesting and less understood is that the wage differential, the gap in wages between people with post-high school credentials-- what Don was talking about, all the way up to and including the bachelor's degree-- and those with high school and below is actually growing. What that means is that the labor market's paying a premium for people with these higher skills. So if we ever wanted any evidence that more education leads to better labor market outcomes, that's it.

The problem on the educational market side is that-- we know about the problems of our K-12 schools. The problems at the higher ed level, though, are things that are now starting to come into very sharp relief, right? Affordability of higher education, which I've been writing about affordability of higher education since the mid 1980s. I describe this as the mood music for higher education discussions. Right? Every time we talk about higher education, we talk about affordability. Well, you know what? The music has stopped.

And the music has stopped because of two factors. The first is, government's capacity to invest at the levels that it invested in the past has reached a limit. It is very different-- now, I argue for increasing government investment. I believe we need more government investment. So we need to make the case for that. But any rational observer of the state of our government, state and federal, would understand that the government's capacity is now severely constrained.

We also, however, have the other problem, which is, families' and individuals' capacity is now constrained. Right? We've hit the max in terms of families' ability to pay. We know about the student loan debt problems, et cetera.

So historically, what happened in higher education was the cost of education continued to increase, and we paid for it through one of two means. More government support, or more family pay. Well now the music has stopped.

And the problem on the educational side is we've literally got to redesign the educational system. Rethink how we deliver it. Because we have such a gap in terms of the proportion of people who need those higher skills in the new economy that Don was talking about, that there's no way to deliver it with the current system that we have.

KAI RYSSDAL: Let me get back to that point in a minute. But Angela, I want to go to you and talk about your group and what you do, improving access to the economy, to society, for people of color and people of lesser means.

I know Don said he likes to think of this as opportunity, not a problem. But it does seem to me that you in particular have an immense problem. Given the education gap, the wage gap, the inequality gap, how do you turn your philanthropic and the best minds you have to that opportunity? Of getting your constituents what they need so badly to survive in this economy?

ANGELA GLOVER BLACKWELL: I'm going to start where I ended. The nation has a problem. The first thing we have to do is stop thinking that people of color have a problem, that people who are falling out of the middle class have a problem. The nation has a problem. The future is not bright, if we don't invest in those people who are going to be the future. America can see its future. And you just saw it on that PSA. It's a five-year-old Latina. It's a seven-year-old black boy. What happens to them determines the fate of the nation.

And what we're doing is one, trying to sound that alarm. Because the nation is in trouble. The next thing we're doing is really trying underscore education. Clearly, early childhood education and K-12 education, absolutely essential. By 2018, 45% of jobs in this nation will require at least an associate's degree. Only 27% of black people have it; only 26% of Latinos. So we're really trying to work with community college systems, work with industry, to be able to deal with that issue.

We're working very closely on the education issue, but let's be clear about this. Many people who are being left behind live in communities that are being left behind. And infrastructure investments, infrastructure in schools, but infrastructure in public transportation, infrastructure in terms of making sure that communities really can be competitive in the 21st century global economy.

And I can't underscore enough how much we have to deal with the issue we don't want to deal with as a nation. And that is this problem of race. If we don't come to grips with the fact that our racial divide has the potential to turn into a generational divide, the future is not bright. Our lack of connection across race, which allows us to see those children, their children, as something that's not quite us, has caused us to under-invest in education. To under-invest in public transportation. And feel that it's not happening to us. It is happening to us. And I mention it not as something that's nice to do. It's essential that we overcome the thing we have never overcome, and understand this is happening to the nation.

[APPLAUSE]

KAI RYSSDAL: Absolutely. Absolutely. Well said. When you go up to Capitol Hill and talk to members of Congress on either side of the aisle, and they say, Angela, I believe in what you're saying with everything that I have. But have you seen the other things we have to do in this country? How do you make them not just, to pick up on those little kids, go la-la-la-la-la-la, 'cause I have to deal with other things? How do you keep people focused on this thing without letting them tune out?

ANGELA GLOVER BLACKWELL: There's a little answer and there's a big aspiration. The little answer is that we have a very good track record, in terms of going up on the Hill and talking to both sides of the aisle about the programs like Promise Neighborhoods, and the Health Food Financing Initiative, that gets more grocery stores in underserved communities. Because those kinds of demonstration programs that actually help communities all across the country, we get bipartisan support. But where we're not getting it, and what we have to do as a nation, is accept that we are not a poor country, and we need to stop acting like one. We have the resources to do what we need.

[APPLAUSE]

KAI RYSSDAL: So Jamie Merisotis, back to you. We're not a poor country. We have the resources to do what we need. Put up or shut up, man. How do you redesign education, make all this happen?

JAMIE MERISOTIS: The problem-- and I share every single one of Angela's values-- the problem is they don't believe us. That's the problem. The problem is the value proposition is, I think, part of the challenge. And I think for us in philanthropy, we have a responsibility to be able to help articulate what those values are. The value of increasing educational attainment is not about individual well-being. It's about collective well-being. It's about our shared economic, social, and cultural future. So that's one element.

The other element, though, is we've got to get serious about improvement in terms of outcomes, in terms of performance. There is very good evidence, not only at the K-12 level, but at the higher ed level, that the kinds of education we're providing are inadequate for the economy of the present and the future. Look, for example, at the recent book called *Academically Adrift*-- it's gotten a lot of attention-- about the limited amount of learning outcomes that we could measure for students that have four-year college degrees. That's a serious problem in the labor market. Given the high cost of education, given the amount of money we're expecting individuals and governments to pay, if we can't prove that what students know and are able to do actually have relevance in work and in life, we have a serious problem.

So part of our responsibility in philanthropy is not just to develop some of the best new ideas and hope somebody else is going to scale them, but insist that the best of those new ideas get scaled to our own investment, to our own support for public policy, for our ability to influence the public's will for change. All of those things, I think, represent our responsibility in philanthropy.

We are not in any position to supplant or replace governmental resources. I have these conversations with policymakers all the time. And they say, well, if you guys could just step in, we could fill in the gap. Of course not. Philanthropy does not have that kind of resources, even with all of the new wealth.

What we can do is help facilitate that change, so that the kinds of changes that we implement, where we can increase the capacity of educational systems to produce higher outcomes at the lowest possible cost, that's what we should be focusing on. And that's something that several foundations are now working on.

KAI RYSSDAL: So let me bring you back into this conversation and ask you what seems like an obvious question, but I'd like you to drill down a little bit. What have the past four years in the economy of this country done to the politics of it, so that we are having to deal with the problems that all of these people are having to deal with?

DON PECK: Yeah, well, I agree completely that these are problems that affect us as a nation. If we don't have a strong middle class, if there's not hope for advance for most people-- I mean, what is the US? We don't share a common heritage. We don't share a common religion. So this is crucial for our national health.

I think the problem, right now, is that what we see in periods like this, and we see it again, and again, and again, is that when times are hard, when people lose the sense that they're getting ahead, they become very jealous of their status relative to others. Politics tends to become more rancorous. It tends to become very zero-sum. So it actually becomes harder and harder, the longer you're in a period like this one, for government to act creatively. To make bold moves. And that's a conundrum.

What gives me hope is-- I keep talking about the 1890s. Really a remarkably similar period to this one. Innovation just bounding ahead, in some ways. Globalization proceeding rapidly. All of that creating huge disruptions. A big Depression. A lot of people struggling. Very similar period.

And what we saw in that period was there was a lot of ferment. There were a lot of private organizations, private individuals, who were trying to do things. There was a lot of national attention on the problems of

the country. Those things became starker. Within that period itself, within the 1890s, none of that led to national political reform, national policy changes that they were really what we needed.

But when the economy got better, and really, as soon as it got better, the attention and the work at the grassroots level really showed itself, and we had the Progressive Era. And a lot of changes that took some of the harder edges off capitalism, that really helped ordinary, everyday people.

So I think that right now, we're in a time where, for psychological reasons, for fiscal reasons, it's hard for the federal government to do a lot. And I think there's a more important role than ever for the people in this room, because of that. And I think that as time goes on, private efforts will lead to public reform as well.

KAI RYSSDAL: Angela, how do you see your role, and the role of your peers, in your part of this equation? What is your job, now, in this economy?

ANGELA GLOVER BLACKWELL: My job, and the job for everybody in this room and all of us who really care about the nation, is one, to really understand that we must focus on equity as a driver. When I use the term, all I mean is just and fair inclusion into a society that allows all to reach their full potential. Allows all to reach their full potential. If we do that, it will really sharpen our focus on the future.

Because this notion of equity is no longer just the thing that we will do because it is the moral and the right thing to do. Equity becomes the superior growth model for the future. Because to the degree that we're educating everyone, that we have people ready for jobs, that we're unleashing and supporting the entrepreneurial spirit within communities of color and other communities that are left behind, that we're investing in community so that every community, every region, can participate in the global economy, we are really setting up a sustainable inclusive growth pattern. Which would be transformative for the nation.

We have to lift that up. Then we have to put policies in place that educate. That get people prepared for work. That connect the innovative spirit in communities to the innovative needs of the future. You get three times as much entrepreneurial activity in black and Latino and Asian communities as you do in the white community. But that entrepreneurial activity often isn't connected to the innovations of the future. We need to invest in that through small business and other things.

The last thing we need to do is get our men out of prison. We have a scandal in this nation.

[APPLAUSE]

ANGELA GLOVER BLACKWELL: We are locking up more people than anyplace else. And it's not just bad for those individuals and those families. It's bad for the nation. We're creating a legacy of absence in communities, in which there are no men. And so you talk about marriage, and fathering, and work, and all of those things. Most of them don't need to be there. That has to be part of this agenda. Equity. It has to mean include everyone.

[APPLAUSE]

JAMIE MERISOTIS: And by the way, that also has an enormous governmental cost. The cost of our incarcerating people, in terms of those limited government resources we have.

KAI RYSSDAL: Let me get back to your first point about equity. And I hope you will take this in the spirit with which it's intended. You, we, have the great luxury of being able to sit and think about these very,

very difficult problems. By the time we get out of this meeting, by lunchtime today, three blocks away and four blocks north, there will be May Day protests going on, there will be Occupy Reminder protests going on. There will be people either skipping, or taking sick leave, or just dodging work to get out there and make their views heard.

How do we make the people who will benefit from this realize what could possibly-- the benefits that could accrue to them. Because they are so, so busy getting by that they literally don't have time to think about what happens next.

ANGELA GLOVER BLACKWELL: They're thinking about what happens next every moment. Because getting by puts you on the edge. We don't need to worry about the people who are getting by. They know what they need. They need more education. They need more work opportunity. They need their communities to support them more. I'm not sure that I understand the question. I think that the people who are on the edge want what we're talking about more than anybody else in the world.

KAI RYSSDAL: I completely agree, and I phrased it poorly. Perhaps the question is, people are so busy trying to get by, they can't think the big thoughts that we can think in this room.

ANGELA GLOVER BLACKWELL: The policymakers need to think these thoughts. The foundation leaders need to think these thoughts. Our politicians need to think these thoughts. They're the ones who're controlling the narrative. You, you. You need to think these thoughts. You're controlling the narrative. And we're trying to change it.

KAI RYSSDAL: This is what you call setting myself up. You ready? Watch. Are you satisfied that's happening?

ANGELA GLOVER BLACKWELL: Oh, no. That's the thing that worries me the most.

KAI RYSSDAL: It's a freebie, right? I had to give her the freebie.

ANGELA GLOVER BLACKWELL: It worries me the most. That we don't have a collective narrative that draws us all together for the future and includes a narrative about what it is that we must do collectively to make the nation strong again.

JAMIE MERISOTIS: Part of the problem that we have for the group that you were talking about in your question, is that time literally is their enemy. Time is something that they can ill afford to waste. So living day-to-day, barely getting by, that's part of the narrative of society today.

One of the challenges that we have, in terms of this opportunity gap, which is about skills, which is about the educational attainment, is that we have these inefficiencies in our educational system. And one of the realities we know about our educational system is it takes too long for people to get a post-high school education. They have work obligations. They have family obligations. The systems are not set up to bring them through efficiently.

The average time to a college degree in this country, for a bachelor's degree, is over five years, from what was supposed to be a four-year degree. It takes very long for people to get associate's degrees. Many of them do not finish.

So time is their enemy. Figuring out how we deliver high-quality learning-based education in the most reasonable amount of time so that people can get to work and get on with their life is really important. That's a part of the narrative that I don't think we've confronted.

Because what we've said is, we'll give you an opportunity. We'll give you a chance. We have to do more than give them a chance. We need to give them the pathway to get there in the most reasonable amount of time as possible, so they can actually improve their own quality of life, and therefore, to Angela's point, improve our collective well-being.

KAI RYSSDAL: I don't know if you read the *LA Times* yesterday, but there are Cal State students, either here in town or somewhere else in the city, who're going to go on hunger strike to protest the rising cost of education, the lack of access to classes that they need, and high pay for education officials. What you do with that? I mean how do you control those things that are making these students so desperate? Can we control those things?

JAMIE MERISOTIS: We have a long-term problem in our educational system. Let's be candid. It's an inefficient system. The productivity-- which is a word that people in higher education hate. It's a word that implies, somehow, that there are nefarious market forces that are trying to influence what they're doing. When in fact, the system is simply too inefficient to deliver the amount of learning that we need, given our goals as a society.

So the cost issue is now the point of the spear. The issue that we now are trying to address here is we can no longer deliver this kind of education at that price to the same group of people that we've been delivering it to for 40 years. Educational attainment, post-high school attainment essentially hasn't moved for 40 years in the United States.

What's happening in the rest of the world? South Korea, Canada, and a dozen other countries have now exceeded our post-high school educational attainment rates, while we've essentially vibrated in place. The problem is the cost is too expensive. How do you get around that? You stop delivering it the way you've been delivering it historically, and start delivering it in a new way.

KAI RYSSDAL: Well, explain that a little bit. How do you do it?

JAMIE MERISOTIS: Well, so, lots of ways.

KAI RYSSDAL: Give me a couple.

JAMIE MERISOTIS: The first is, let's use technology to better deliver what we know technology can deliver already. Technology's not the panacea to all of our problems. Carnegie Mellon University has a large-scale experiment going on right now, where they're delivering general education classes, all types of general education classes, using very advanced technological means. The kicker here is they can do it in 50% of the time and achieve higher levels of learning outcomes. This is one of America's premier learning institutions in the country.

If we could consolidate and truncate the general education experience so that that gets much shorter, we could deliver a four-year degree in four years. Maybe three years. We can start delivering education to people at the associate level, who need both technical skills as well as those generalizable critical thinking, communication, and problem-solving skills, much more rapidly.

We have an experiment that we've supported in Indiana which is an 11-month associate degree for high-risk high school graduates. What we do is we essentially pay them to go to school. We say, this is your job. Your job for the next year is to get that associate degree. They go to school 9:00 to 4:00 every day. They get a stipend to live on. And we give them an articulated pathway to get from here to there.

That's the value proposition for them. If you say to that young person who's living on the edge, go to college, and in four, or six, or eleven years, you might get a credential. There's no way. If you say to them, we can give you skills and give you a marketable skill that gets you into the labor market in 11 months. That's something they can relate to.

KAI RYSSDAL: Angela, to Jamie's earlier point about time, and time being the enemy. Do you agree with that?

ANGELA GLOVER BLACKWELL: Oh, I do. I do. Time is the enemy for all of us. Things are coming very rapidly. We are in a rapidly changing, rapidly moving society. And the problems that we're talking about are going to really disable us as a nation if we don't get on top of this very quickly. Time really is a problem.

I want to just go back to the conversation you were just having and ask, if I could, about dipping down more into high school. And connecting people in high school to more careers. Part of the problem is we have to overcome a prejudice in communities of color, because vocational education was a bad thing. We have to help people to understand that the kinds of careers that are available are careers that take you into the middle class. But the same preparation that you need for a four-year education is what you need for that. If you could say a word about the high schools.

JAMIE MERISOTIS: That's absolutely right. I think we all know what the problems are, in terms of our high schools, which is we lose a huge number of people between the ages of 16 and 18 because that value proposition for them just isn't clear.

KAI RYSSDAL: Hang on one sec. Who are those 16 to 18-year-olds? They're not the upper-middle class white kids, right?

JAMIE MERISOTIS: They are overwhelmingly low-income. They are students of color. And a significant proportion of them are individuals whose parents haven't completed a high school education.

KAI RYSSDAL: Yeah. OK. Sorry, I interrupted.

DON PECK: And boys.

JAMIE MERISOTIS: And a disproportionate number of them are boys. So rethinking that time period, that traditional period, is really important. To me, what our K-12 system-- we use this phrase, now, for about the last decade. It's about college readiness. Really, it's about making sure that students that just aren't ready for college, meaning some sort of post-high school education, but actually have a pathway so that it take them all the way through to a credential that gets them into the labor market.

The educational system has resisted this idea that the critical outcome of an education is a job. If you talk to, unfortunately, too many people in higher education, they continue to say, we don't train people for jobs. We train them for life.

KAI RYSSDAL: Yeah. How's that life going without a job, pal?

JAMIE MERISOTIS: Our argument is, it's the-- exactly. It's the same thing. The same skills that you need to be a productive citizen, to be a contributor to our society, are the skills you need a job. And they're the same skills that employers say they want. Those critical thinking and problem-solving capacities.

KAI RYSSDAL: Angela, go ahead.

ANGELA GLOVER BLACKWELL: So we're more than a decade in to the 21st century now, and our policies haven't even begun to catch up with it. Schools are the classic. They are just so outmoded, in terms of time in school, the way we think about education. We've got to really get on speed-up, getting back to your notion of time. Foundations can help us get on speed-up. They need to speed up themselves. They need to speed up themselves. They need to figure out--

KAI RYSSDAL: I'm not the only one she's yelling at.

ANGELA GLOVER BLACKWELL: But no. Where are the challenges? Where are the challenges? How do we equip the organizations that could really begin to move fast into the 21st century? How do we begin to help communities come back?

You know, poverty's changed. We have more poor people living in the suburbs than we have in the cities. What are foundations doing to be able to equip those communities to support people who are poor? And how are they making sure that people who live in cities can stay there and enjoy them as they're transforming? There are a lot of 21st-century issues that we're not on.

KAI RYSSDAL: So why do we lack this urgency? Right? Because these problems, or opportunities-- however you want to phrase it-- are so clear and stark. And yet, you have fill out 14 forms, and have a meeting, and this and that, and all this stuff. I mean, how do you do the speed-up?

ANGELA GLOVER BLACKWELL: I don't know why we lack the urgency. I feel it so deeply. I don't know why we lack the urgency. We are disconnected, though. The disconnection that we have in this country causes us not to feel the urgency when it's out there. But this recession has actually brought it home to so many people.

Just think about the housing bubble. Black and Latino families were losing their houses long before it hit the front pages of newspapers. If we had paid attention then, if we had had a sense of connection, there would have been urgency about that.

Already, the March figures. Unemployment in the black community is over 14%. It's over 10% in the Latino community. It was over 10% long before it got double-digit in the country. Why did we not have urgency? Because we not connected. We don't understand that what happens to others also happens to us.

JAMIE MERISOTIS: History's also a problem for us, right? Because in addition to that point, look, we had the greatest economy in the world. We had the great educational system in the world.

KAI RYSSDAL: "Had." You keep using past tense.

JAMIE MERISOTIS: Definitely past tense. I'm not convinced that we are there anymore, in either of those cases. So we've convinc ourselves that all we need to do is keep doing what we were doing, and everything will be fine. Keeping doing what we were doing isn't going to get us ahead anymore. Not when the Chinese economy is growing at three or four times the rate of our economy. Not when virtually every one of our economic competitors is investing in education at multiples of what we're investing in. We've got to do a much, much better job.

DON PECK: Can I--

KAI RYSSDAL: Yeah. Chime in, and then I got a question for you.

DON PECK: So one thing that I think is worth noting is, the problems that we're seeing are, they're very widespread. But what's also happened over the past 20 or 30 years is we've seen in a really unprecedented geographical sorting of Americans. By education, by economic potential. With the highest-potential people, the wealthiest people, moving disproportionately to a relative handful of power cities, creative enclaves. And you know, I live in one of those enclaves, DC, the professional quarters of DC. And I've got to say, there's no recession apparent there. And I think that is really a large part of the problem.

And in the course of my reporting, I was recently talking to a conservative political analyst, who I won't, I can't name.

KAI RYSSDAL: Sure you can. It's just us.

DON PECK: But he said-- and I was talking about this period, and I was asking him what he thought. And whether there would be, whether Occupy and other populist movements of the left would rise up, and what that would mean. And he said, no, Don, you're talking as if political instability and populism would be something bad that would happen to the country, potentially, because it would create a lot of instability. He said, I would submit to you that the more likely thing, and the far worse thing, is that it'll never get traction. And the top 20% of the country will just keep gliding upwards, and the bottom 80% will take it.

And I think that's what we need to figure out how to address today. There's a real separation occurring. and we need to figure out how to engage that top 1%, top 10%, top 20%, more actively and more fully.

KAI RYSSDAL: On this issue of time, and urgency, and need to act now. How do you reconcile that-- and this is a little bit of a meta question-- how do you reconcile that with the fact that this recession has been so slow to end? And that the turning of the corner has taken so long?

DON PECK: Well I mean, how do I reconcile it?

KAI RYSSDAL: Yeah. I don't know that you can.

DON PECK: I don't know that you can. But a major theme of my reporting is that we always underestimate the costs of periods like this one. Because we think of them as, when they end, they're over.

And that's just not true. Because when people who work for three or four years, they seldom find their way back into a job again. It's very hard for them to do that. When people are in their early 20s and they can't find a good job for five years, they don't recover fully. So the consequences of periods like this are longer than we tend to think.

And if you look at Europe-- and the US has not had a problem of highly elevated unemployment for many years. Europe has, in the '80s and '90s. And there's an economic term for what happens. It's called hysteresis. The unemployment rate rises and stays high, even once the economy recovers, because people who have been out of work for so long become invisible. We need to add urgency to everything we're doing. Because the costs of this period are longer lasting and are bigger than we think they are.

KAI RYSSDAL: It's actually interesting. That word, hysteresis, is actually now being bandied about in the popular press. Which means, you know, economists have been talking about it for years, and now the commentators are picking up on it. Let's bring the house lights up, and if you guys have some questions--

I have another couple, obviously, for the panel-- but if you've got questions, there are microphones here. And please step up and we'll get you involved.

Don, if history's a guide, we will not be out of this-- the effects of this recession will not have dissipated before the next one starts. Am I right?

DON PECK: Not completely, no.

KAI RYSSDAL: So I am right, that it will not have dissipated?

DON PECK: The economy, if you look at the top-line economic growth, it might be great. If you look at Silicon Valley, things might be going very, very well. But yeah. If you look at the unemployment rate, and then if you just look at the effect on people, the unemployed, many communities throughout the US, yes. It will take decades for the effects of this period to fully diminish.

ANGELA GLOVER BLACKWELL: Could I talk about one thing?

KAI RYSSDAL: Yes, ma'am.

ANGELA GLOVER BLACKWELL: Foundations actually sit in the best position, to be able to help with this problem, of any other sector that I can imagine. Because you have so many people on your boards and many on your staff who have a huge walkabout within the privileged communities of society. And because of the work you do and fund, you know more about what's happening in communities where people are being left behind than the average person within your social circle and within your neighborhoods.

And so being able to lift that up is an asset that you don't often talk about, is an asset that we need now more than ever. We have to help the American people see that the future is in jeopardy. But it's within our hands, within our power, to change it. And the kinds of things that you're funding, and that we're talking about, need public and political will. And one way to start to build it is to just talk more about what you're learning here, and ask questions.

KAI RYSSDAL: Speaking of asking questions, I can't believe nobody out there actually has one. So step on up to the microphone. Yes, ma'am, go ahead.

GINNI GALICINAO: Hi, I'm Ginni Galicinao. And I love, Jamie, your program where you're providing support to children and young adults, and scholarships. And the area that I'm really concerned about is that invisible crowd, the people who are in their 50s, who have lost their jobs, who have high school diplomas yet they don't know how to go back to school, nor do they have the time, nor do they have the money. And I am not aware of a number of programs that actually provide those same scholarship, learning, retraining opportunities for that 50-year-old crowd who are not ready to retire, and don't have that time and money and need scholarships.

JAMIE MERISOTIS: So, great question. To Don's point from earlier in the program about the fact that in this recession, unlike any of the other prior recessions, it's pretty clear that the jobs that were lost aren't coming back. Those are the individuals that you're talking about. Those are the individuals that we really need to be paying attention to. It is both morally and economically stupid for us to write those people off.

And so it's going to be very important for us to shift our education system to increasingly serve their needs. It's a problem. It's a problem because policymakers and others tend to think of an educational system as primarily serving young people. It's got to serve those people equally as well, because you've

got people in their 30s, and their 40s, and their 50s, in your example, who have many years of productive work life left, who are probably going to be relegated to low-skill, low-wage jobs. When, in fact, they were earning a middle-class wage, and they were part of the middle class in the old economy. In the new economy, they're not going to have that.

Community colleges play a major role. There's no coincidence in the fact that you've seen a lot more focus on the community colleges in the last couple of years. But I think there's a bigger issue here, which is a broader collaboration of industry-based credentialing, community colleges, and, I would say, new providers, that is technologically-based providers, that can serve those individuals. Because for them, the time issues are even more severe than they are to for many of the young people.

KAI RYSSDAL: Sir. You break it, you buy it.

KEVIN WALKER: I'm Kevin Walker from the Northwest Area Foundation. And I want to thank you all. This has been a fascinating conversation. Angela, I think we all recognize that you got the most applause for comments like the notion that equity is our best competitive strategy going forward. I certainly agree with that. I think many of us do.

I'm struck by Jamie's comment, though, that when you're on the Hill-- I think the words you used, Jamie, were "they don't believe us." My question is, what's the answer to that conundrum? Making the same point even more passionately probably isn't the right strategy. And I'm curious, in terms of message, in terms of pushing these ideas forward to those who simply don't believe that narrative, how do we make a change there?

KAI RYSSDAL: That's a great question. Angele, why don't you take it first? I want to hear both of you on this one, actually.

ANGELA GLOVER BLACKWELL: Most of you probably saw Manuel Pastor on the opening day. And Manuel Pastor's organization at USC and PolicyLink have actually joined and created a partnership to be able to bring together the research base underneath the assertion about equity being the superior growth model, so that we can begin to lay out scenarios. What happens to the nation, in terms of jobs, and employment, if we don't invest? And what happens if we do?

We feel that we need a lot more evidence, we need a lot more story supported by examples of what is the right way to go, and what the consequences are. Talking about this, the PG&E Power Pathway, which you probably all know about, is a wonderful example. To be able to lift up what they're doing in terms of identifying what they need and helping community colleges to provide it. So your answer is evidence and evidence-based narrative.

KAI RYSSDAL: Jamie. Same question.

JAMIE MERISOTIS: Elevating what works is very important. I think we have a responsibility, in philanthropy, I think we've got capacity to help better elevate what works and shine a spotlight on what works. The other part, which is harder, is shine a spotlight and what doesn't work and stop doing it. And from a government policy perspective, that is really difficult to do.

Let me tell you, I spent 25 years my life in Washington, DC before I joined the Foundation five years ago. And the hardest thing to do is to kill a program to stop doing something that there's a constituency for. And that is a real problem in a world where government's capacity is constrained. That is, on the assumption that we're not going to have massive new tax inflows, in terms of our system, to pay for some of these things.

With the amount of resources we do have, we're going to have to stop doing something. And that's part of our responsibility, is to make the case for what does work. And also to be candid about what doesn't.

KAI RYSSDAL: Yes, ma'am.

SHIRLEY FREDRICKS: My name is Shirley Fredricks, from The Welk Foundation. You have not mentioned the role of Wall Street in this current period. Could you tell us, and we all know that Wall Street was the only beneficiary of this period, could you tell us what now might be some possible responsibilities that they could have to restore our country?

KAI RYSSDAL: The best part of being a moderator is I get to say, Don?

DON PECK: Yeah. No, Wall Street's behavior and the regulation of Wall Street prior to the crash were a huge cause of the crash. And the questioner is exactly right. I mean, Wall Street got bailouts. The middle class did not. Homeowners, really, did not.

So it was a big part of the problem. I mean, I think going forward-- it's also been a problem, I think, that Wall Street has really absorbed a lot of the more talented people in the US over the past 20 years, who might otherwise have become entrepreneurs or go into other sectors. I think the government has moved in the right direction in trying to basically increase capital commitments, reduce leverage, Maybe, in some sorts of ways, tie pay to longer-term horizons. I think these are the right things to do. I don't think the government has gone far enough.

And I do think that, at least as far as avoiding the next crisis, we need a more fundamental reform of Wall Street, so that risk-taking isn't so cavalier, and so we can minimize the chance of another crash. Because as we see, these periods are just enormously destructive.

KAI RYSSDAL: And lasting.

DON PECK: And lasting.

KAI RYSSDAL: Yes, ma'am.

CYNTHIA RYAN: Hi, I'm Cynthia Ryan from the Schooner Foundation. And I live in DC, so I feel like I can take umbrage with your remark that DC is a creative enclave. Because I personally feel like--

DON PECK: I said power cities, too.

CYNTHIA RYAN: --It's where ideas go to die. Or, at least, good ideas, these days. So-- and I live there, so I feel like I can say it.

DON PECK: No disagreement, there.

CYNTHIA RYAN: But there are two things besides actually Wall Street, which is a good point, that I haven't heard this conversation, that I was wondering if people could talk about. And one is, in my opinion, green jobs are the way to move us out of the recession that we're in. And no one's talked about that specifically.

But also, campaign finance reform, and how as a philanthropic community we need to, I think, dive more deeply into the role of money in politics and corporations. And to me, those are two of our pathways out and for people to stay in the middle class. And I was wondering if any of the speakers could comment.

KAI RYSSDAL: Let me split that, and ask you, Jamie, about education as a way to develop sustainable technologies and green jobs in this economy. Because the president talked about it on the campaign trail. He's out there every now and then, saying, we've got to do this.

JAMIE MERISOTIS: There's lots of examples out there of where we can demonstrate that we can actually do that. You do well and you do good. So that's a good thing. The problem is, many of those green jobs are in areas that take a long time to build that infrastructure. And the reward system that we have in our country is-- the reason why we have the prior question on the Wall Street problem-- is that the rewards for those kind of jobs are much more immediate.

So one of the challenges I think we have is to figure out how to invest in things that have these long-term rewards that we think are scalable. Right now, the green jobs, the green job economies, are chugging along. They continue to grow. But they're not growing at nearly a fast enough rate in order to make up for the gaps we have, in terms of, to bring that unemployment rate down. Over time, that investment is going to pay off pretty significantly for us. But with election cycles and the like, it's very difficult to sustain those kind of investments.

KAI RYSSDAL: Do either of you have a very quick thought on campaign finance? It's a little bit outside the topic of this conversation. But if you don't, we'll get to another question.

KAI RYSSDAL: Very quickly, go ahead.

DON PECK: I do. I mean, I talked about this geographic separation in the US. And what scholars have found, as well, is that the rich-- I mean, we all know this, but scholars have found it very strongly. Policies respond to the desires of the rich, not to the desires of the poor. And so I think when we talk about building a stronger nation and a stronger middle class, we desperately need campaign finance reform, so that a small group of people doesn't wield such enormous influence over our politics. I think that's central.

ANGELA GLOVER BLACKWELL: I agree.

[APPLAUSE]

KAI RYSSDAL: Yes, ma'am. This'll be the last one.

LISA PARKER: Hi. Lisa Parker from the Lawrence Welk Family Foundation. Shortly after I checked into the hotel on Sunday, I heard a woman screaming for help. And outside my door, she was being beaten. If ever there was a stark reminder of why we're here, I think that was it.

Of course, I'm a lifelong advocate for women and the empowerment of women and girls. We know that investing in them changes the course of a family. But I think we have lost sight of our men and boys. And I'd like to know, specifically, from the panel how we as funders can include men and boys in our conversations and in our funding, so that they are not forgotten in this equation.

KAI RYSSDAL: Angela?

ANGELA GLOVER BLACKWELL: There are two funders that we're involved with at PolicyLink, The California Endowment and their Boys and Men of Color Project. And one of the main things they're focusing on is doing something about push-out. Because this cradle-to-prison pipeline really gets on speed-up when young boys in school get pushed out at very early ages. And then they often fall out of

the system and don't come back up until they're in the criminal justice system. So we really do have a foundation that's developing a thoughtful strategy.

The other foundation we're involved with is the Open Society Foundation, a black male achievement initiative, in which they're really looking at black boys and black men in particular, and looking at all the strategies that can make a difference. I think we're really building a wonderful body of knowledge about how to be able to actually look at the particular plight of boys and men of color.

In many ways, they are the litmus test in community. The litmus test as to whether or not your strategy is working is whether or not those who are most forgotten, and so important, are getting any benefit. It's never a strategy that leaves out girls and women. It actually is very inclusive of them. But the good news, we're learning a lot. I'd love to talk with you more.

KAI RYSSDAL: Let me take the moderator's prerogative and ask the last question. We are time-limited, so it's a tricky question, but you need to be brief about it. Are you, on balance, hopeful about where things are going? Jamie, you first.

JAMIE MERISOTIS: I'm, of course, optimistic because I think we've got the conditions now for which the only pathway is up. I think it's--

KAI RYSSDAL: Whoa.

JAMIE MERISOTIS: --it's hard to envision the challenges getting worse. So, though, I did want to make a point, which is, I had a strange sense when I heard Don talking about the upper 20% and the gap with the lower 80%. That reminds me of apartheid South Africa and all the things that I saw in my time working in South Africa over the course of several years. I don't think American society will stand for getting to that point, but it can happen. And I think it's worth pointing out.

But I am optimistic, because I believe that American innovation has been one of our greatest assets and it continues to be, even if we no longer are the biggest economy, the largest population, et cetera in the world. And I think we've got a lot of potential for the future. But we've got to focus on that innovative capacity right now, to change our educational system right now, to change the nature of work. Or we are going to be in much more serious trouble.

KAI RYSSDAL: Angela Blackwell.

ANGELA GLOVER BLACKWELL: I am extremely hopeful, and I will become more hopeful if you join with me in beginning to define the urgency in the ways that we've been talking about. For the first time in my adult life, all the issues are on the table. All the issues are the table, and they're on the table in a way that it's not about them. It's about us. We have to define it that way.

If we can stop thinking that the past was good and the future is scary, and understand that from the past, we learned many lessons that we can apply to a future that is inevitable. We are becoming a nation which the majority of people will be people of color. They can no longer continue to be left behind. No one can be left behind, or the nation will be left behind. That insight makes me hopeful. It's everybody's issue now.

KAI RYSSDAL: Don Peck.

DON PECK: I agree with that. I mean, I think that this period has shown us very starkly who's being left behind in the US today. And it's not a particular race. It's not a particular geography. It extends across

racers. It extends across geographies. It is much of the nation. And I'm hopeful that the clarity that provides will provide something transformative in our government, in our foundational work.

I'm pessimistic about the next four or five years. Because I think that history does show us, and our current politics show us, that it's just awfully hard to get something done when the economy is struggling so badly. But I think it's really important to keep doing the work during that period. Because that work, even if it seems unproductive, can create something transformational a few years out.

KAI RYSSDAL: I thank you all for your time.

[APPLAUSE]

Collapse

Public/private partnerships and Goal 2025

Inclusive public-private partnerships – cooperative, mutually beneficial efforts that involve business, higher education and the policy community – are critical to improving higher education access and success, according to Lumina's Jamie Merisotis. Read his [remarks](#) for the [State of Higher Education](#) event of the [El Paso Chamber of Commerce](#) on May 23.

Critical Outcome **1:** Preparation

Readiness | Making the case for Common Core

New [research](#) from Michigan State University indicates that the Common Core State Standards for mathematics, if properly implemented, can potentially improve student achievement and close achievement gaps.

Success | Insulating the higher-ed pipeline

Student success depends on ensuring that a range of services and supports are available from multiple state agencies, says this [brief](#) from the [Forum for Youth Investment](#). [Raising the Bar from Ready by 21 to Credentialed by 26](#) examines how leaders in four communities enlisted partners to commit to increasing postsecondary completion, used new data to inform planning efforts, extended their goals beyond college access to college completion, and strengthened connections between the K-12 and postsecondary systems.

Readiness | Financial aid/student success link

Academic preparation may be a stronger predictor of college success than financial aid, according to a [study](#) by the [American Institutes for Research](#). Findings from [Can Financial Aid Improve Student Success at Louisiana's Community Colleges?](#) contend the amount of financial aid that students receive has no real impact on their academic success. Instead, preparation is a better forecaster.

Insight | Simplifying student aid

According to a [College Board study](#) that examined whether simplifying the Free Application for Federal Student Aid might affect student eligibility for state need-based grant programs, little change would result in the way federal and state grants are awarded and the general integrity of aid programs would be kept intact. Read [Simplifying Student Aid: What It Would Mean for States](#).

Affordability | More students borrowing for college

Between 2006-2007 and 2009-2010, the percentage of first-time, full-time undergraduates who received financial aid increased from 75 percent to 85 percent at four-year colleges. Ninety-two percent of

students at for-profit colleges received aid in 2009-10, up from 55 percent in 2006-07. Read more postsecondary findings on enrollment, finance and student outcomes in [The Condition of Education 2012](#).

Critical Outcome 2: Success

Policy | Reimagining community colleges

[Reclaiming the American Dream](#), from the [American Association of Community Colleges](#), outlines a policy agenda to improve student success and institutional accountability of community colleges. Among the report's recommendations: Incorporating incentives for student performance and progress into student financial aid programs at the federal, state, and local levels and implementing the [Degree Qualifications Profile](#) to ensure credentials earned represent real knowledge and skills.

Degree completion | Helping adults return to college

More than 2 million Florida residents have completed some college without earning a degree – a figure that represents an untapped pool of talent needed to compete in the new economy, says this [policy brief](#) from the [Florida College Access Network](#). The report provides information on initiatives and re-entry options to support former adult students and help them return to college and earn a degree.

Outcomes | Moving the access-to-success needle

To meet the demands of the 21st century workforce, degree attainment outcomes for low-income students and students of color must be dramatically improved. [Replenishing Opportunity in America](#), from [The Education Trust](#), examines how 22 state public higher education systems leaders are measuring up to the challenge.

Research | Closing remediation's 'broken bridge'

Current remediation efforts aren't working: 62 percent of community college students and 74.4 percent of students at four-year institutions complete remediation, says this [report](#) from [Complete College America](#). The study, [Bridge to Nowhere](#), offers in-depth statistics, recommendations and success stories on how to improve remediation and get students on a path to a degree.

Community colleges | Doing more with less not working

The "open-door" policy of community colleges has become closed to more of the nation's neediest students due to insufficient funding, says [Closing the Door, Increasing the Gap: Who's Not Going to \(Community\) College](#), from the [Campaign for the Future of Higher Education](#). The report notes that more community colleges are "rebooting" their curriculums, putting emphasis on narrow job training and less on the education necessary to achieve a bachelor's degree.

Critical Outcome 3: Productivity

Policy | Getting more out of state grant programs

[Beyond Need and Merit: Strengthening State Grant Programs](#), from the [Brown Center on Education Policy at Brookings](#), suggests that states re-examine their state grant programs to more effectively support the goal of boosting educational attainment. Among the report's recommendations: Design programs that encourage timely degree completion and target aid dollars to students whose potential to succeed is most constrained by limited resources. An online [map](#) shows how states approach higher education funding.

Outcomes | Measuring college productivity

Current models for defining and tracking the performance of colleges and universities are ineffective, says this [study](#) by the [National Research Council](#). The report, [Improving Measurement of Productivity in Higher Education](#), offers a new set of recommendations and metrics that incorporate both credit hours completed and degrees awarded compared to labor costs and other institutional expenses.

Insight | CUNY raising accountability bar

The City University of New York is working to create a results-oriented campus culture that focuses on improving student success and raising academic quality. This [brief](#) describes CUNY's performance management process, how the effort links planning and goal setting by the university and its colleges and professional schools, measures annual progress toward those goals, and uses incentive funds to reward outstanding performance.

Attainment | More college grads = billions for U.S.

Every state in the nation would see large public and private benefits by significantly increasing postsecondary access and completion rates by 2025, says a new [report](#) from the [Center for Law and Social Policy](#) and the [Center for Higher Education Management Systems](#). The [Credential Differential](#) includes an interactive online tool, [Return on Investment Dashboard](#), designed to help states and policymakers calculate the economic benefits of boosting higher education-attainment rates.

Workforce development | Business must strengthen higher ed

The business community needs to be at the center of college reform, says [Boosting Postsecondary Education Performance](#), from the [Committee for Economic Development](#). The report outlines steps to help business leaders work with state officials to improve college productivity and support employees within their own companies who want to further their education.