

**NEXT STEPS**

Higher education provides a broad array of benefits to both individuals and society. While such a statement constitutes a long-held belief in higher education, only recently has the combination of social and economic benefits that accrue from the investment in higher education received sustained attention. In the United States and throughout the world, the simple articulation of all the benefits of higher education at the local level needs to be more prominently featured in local policy debates regarding the investment of resources in higher education. Moreover, additional efforts should be undertaken to develop specific and quantifiable indicators of the value of higher education at this localized level of analysis.

The most striking lessons are therefore threefold: first, the quantifiable benefits of higher education extend beyond labor market and economic impacts and warrant more scrutiny. Second, the benefits of higher education accrue at multiple levels, not just the aggregate national level. Third, and perhaps most important, the benefits of higher education vary at the local level and ought to be included in policy-related discussions. In any country, an expanded understanding of the localized payoffs that result from the public and private expenditures in higher education could go a long way toward improving the prospects for local and sustainable economic development, social stability, and individual prosperity. ■

## A Nation's Colleges at Risk

**SCOTT JASCHIK**

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American higher education, long the envy of the world, faces such serious problems—especially with graduation rates—that its position is vulnerable, says a report being released today. The report calls for the creation of new accountability systems in higher education to track problems and progress and to help lawmakers focus necessary attention on weaknesses. At the same time, the report says that many current accountability systems do little good and end up wasting time and money.

“At its best our system of higher education continues to set a standard for excellence and research that remains the envy of the world,” the report says. “But the foundations of our system are too weak to sustain our economy and quality of life.”

The report was issued by the National Commission on Accountability in Higher Education, a panel of politicians, business leaders, and educators charged with the task by the State Higher Education Executive Officers. Notable members of the panel include Richard W. Riley, the former U.S. education secretary and South Carolina governor; Frank Keating, the

former governor of Oklahoma; Stanley O. Ikenberry, former president of the American Council on Education and the University of Illinois; and Carol Liu, chair of the California Assembly Committee on Higher Education.

While the report notes many problems with American higher education, it focuses on issues of graduation rates and related questions of college-going rates and the preparation of students or would-be students for a college education.

In a graphic called “Our Leaky Educational Pipeline,” the report notes that for every 100 9th graders: 68 graduate from high school on time; 40 enroll immediately in college after graduation; 27 are still enrolled for their sophomore year; and 18 graduate from college on time.

Other countries are doing a better job, the report says. Fifteen countries have higher graduation rates from high school than does the United States, where the rate is 73 percent. At the higher education level, countries like China and India are making significant progress in educating thousands of scientists and engineers at a time that many programs at American colleges struggle to find qualified applicants.

***Currently, however, many accountability efforts—including state and federal reporting requirements, accreditation, and individual institutions' studies and research—lack broad support and are ineffective.***

The report identifies other key problems: Four of 10 college students fail to graduate within six years. One-fourth of low-income students in the top quartile of academic ability and preparation fail to enroll in college within two years of their graduation from high school. While the percentages of minority and low-income students who enroll in higher education is increasing, a majority of minority students fail to graduate.

Many of these problems could be fixed, the report says, with good accountability systems. Currently, however, many accountability efforts—including state and federal reporting requirements, accreditation, and individual institutions' studies and research—lack broad support and are ineffective. Accountability fails, the report says, when it does little more than generate “reference-sized books of information,” when professors think of it as “administrative work,” and when it “feels like coercion or bribery.”

Good accountability systems, the report says, require a partnership between colleges and lawmakers “through which shared goals are explicitly established, progress is measured, and work to improve performance is motivated and guided.”

Those goals, in turn, must reflect goals for public policy, not just institutional goals. “Fundamental public priorities recede to the background when institutions compete for status on national rankings based on student selectivity, faculty prestige and similar measures,” the report says.

Good data are also essential for developing good goals and

measuring them, the report says. And the commission says that many data systems cannot currently answer such key questions as how many students who enter higher education emerge with a degree, how long does it take students to reach different levels of attainment, are student aid resources sufficient to help low-income students enroll and graduate, and are students learning what they need to know.

Some states do a good job creating the right kind of accountability systems, the report says. It praises the “Closing the Gaps” effort in Texas, which aims to increase college-going and graduation rates in that state by 2015. Kentucky is also praised for using five key measures—such as whether more Kentuckians are prepared for higher education, and the extent to which local communities benefit from the state’s colleges—to review the state’s higher education system.

States that set up good accountability systems should then use them to help set priorities and budgets, the report says. But it also warns against inflated expectations about how accountability will change the budget process. “It is wishful thinking to imagine that additional public investment will make it easy to achieve state and national higher education goals. The most important financial resource is not ‘new money,’ but existing investments,” the report says.

Similarly, the report adds: “It is wishful thinking to imagine that productivity gains can make quality higher education substantially less expensive or eliminate the need for additional investment. Educating more people to a higher level is valuable; it will not miraculously become free.”

*The report may be ordered from SHEEO’s Web site. This article is reprinted, with permission, from Inside Higher Education. For a free subscription, see <http://insidehighered.com/signup>.* ■

## What’s in a Name? How Universities Sow Confusion and Cheapen Academe

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For the past several decades, “naming rights” have proliferated in American higher education. While by no means a new phenomenon, the power of names is going to extraordinary lengths. In this, academe is accompanying trends in society in the era of the Fleet Center and Gillette Stadium. Anything to eke an extra dollar out of donors is fair game. Far be it from me to criticize needed efforts to raise funds at a time of fiscal constraints, but things have gotten a bit out of hand.

Universities and colleges have long been named after

donors—think of Harvard, Yale, Brown, and many others. By today’s standards, John Harvard would hardly get a bench named after him given the modesty of his gift of books for the library back in the 17th century. At least one institution, Rowan University of New Jersey, changed its name when someone made a large donation—the old title was Glassboro State College. Buildings have traditionally been named after people—distinguished scholars, visionary academic leaders, and recently, big donors.

“Old Main” and Bascom Hall are indicative of a bygone age when place and merit were recognized. Now we have the Gloria and Jake Smith Administration Pavilion and the McGinty Family Chemistry Center. Many schools give donor names to class and seminar rooms. More than one institution of higher education puts names on its chairs—the kind that one sits in rather than endowed professorships. Professorships have long been named for donors of endowments—but some of the donors who have put their names on chairs raise eyebrows—the FedEx chair and many others. No doubt there is an Enron chair still out there somewhere.

***Donors love to have their names, or the names of parents or other relatives, on buildings, schools, institutions, professorships, and the like.***

A major trend is naming colleges and schools within universities. We have long had the Wharton School, the nationally known business school of the University of Pennsylvania; Boalt Hall, the law school of the University of California at Berkeley; and the JFK School of Government at Harvard. These schools have, over time, achieved an image of their own, separate from the universities at which they are located. They are “name brands.” Now we have the Rossier, Steinhart, and Warner schools and hundreds of others—these happen to be the education faculties at the University of Southern California, New York University, and the University of Rochester, respectively. These schools are not recognized on their own, and they are unlikely to be in the future. Yet, many at these institutions refer to them as the “Rossier School”—without referring to the function or the home institution. Beyond a block from the campus, few would know anything about it.

### **BRANDING AND CONFUSING**

Why is all of this happening now? The main motivation for the naming frenzy is, of course, to raise money. Donors love to have their names, or the names of parents or other relatives, on buildings, schools, institutions, professorships, and the like. Increasingly, corporations and other businesses also like to benefit from having their names on educational facilities. At one time, there were limits on what could be named. Today, there seem to be none at all. If something does not have a name, it is up for grabs—a staircase, a pond, or a parking