



New England 2020

A Forecast of Educational Attainment and Its Implications For The Workforce of New England States

FREQUENTLY ASKED QUESTIONS (FAQ)

Overview

The chief prediction of **New England 2020**, a major research study commissioned by the Nellie Mae Education Foundation, is that most New England states will suffer declines in the percentage of young workers holding Bachelor's degrees by the year 2020 if current educational and demographic trends continue. (The study is available online at www.nmefdn.org.)

Massachusetts and Connecticut will suffer the largest drops in the percentage of their young population holding a Bachelor's degree or higher. The Bay State's forecast calls for a decline from 43% in 1993 to less than 40% by 2020. Connecticut's forecast calls for a drop from 34% to roughly 30%. While seemingly modest in percentage terms, each point drop represents a loss of many thousands of young educated workers.

The study also highlights the transformation of the New England workforce in years ahead. For example, minorities will compose an increasing percentage of the workforce. By 2020 28% of the Massachusetts population will be minority, up from 15% in 2000. Minorities will have an especially strong presence among young workers. About half of all 25-29 year-olds in Connecticut, Massachusetts, and Rhode Island will be minorities by 2020.

Questions

1. Why should New Englanders be alarmed about a gradual decline in young, educated workers over the next fifteen or twenty years? Don't we have time to fix this problem as it materializes?

Reversing today's emerging demographic and educational trends is like turning an ocean liner. Concerted action by government, the business community, and the education community needs to begin now if those efforts are to make a difference years from now. Unless the six New England states significantly raise their current levels of educational access and attainment, the region will find itself in serious economic jeopardy

2. Are there any positive elements in the demographic outlook for New England?

The research suggests that the influx of young in-migrants coming here for school purposes is one of the few remaining cards the region has left to play demographically. In-migration continues to play the role it has historically in countering outflows and stabilizing the region's population, but the answer to the question "Who comes here and why?" is changing.

Increasingly, the answer to the question is "young people pursuing a degree of some kind." There is evidence of this, for example, in the very high in-migration rates among young people. Looking closely at 2000 Census data tracking those who had entered the six New England states between 1995 and 2000, **New England 2020** found:

- In all states but New Hampshire and Maine, the in-migration rate for the college-aged was *more than twice as high* as the rate of migration for the general population.
- Education was the motive for *more than half of all in-migrants aged 20-24* in every New England state except Connecticut and Maine. Even these two states were close with 43 and 44 percent of their age 20-24 entering populations arriving for education purposes, respectively.

These levels of in-migration give us an indication that, to the extent states are managing to attract those from outside their borders, those individuals are often proving to be students.

3. If in-migration and workforce growth depends more heavily on young people arriving for college than previously thought, does this change the way we should think about the role of colleges and universities?

Yes, it is time to think differently about higher education as an economic asset. The economic edge that higher education institutions contribute in the form of innovation, new technologies, and federal research funding has long been recognized.

But what has been much less appreciated is how our higher education institutions, by drawing young people into the region, have been, in effect, creating a steady, reliable supply of "replacement residents" who are proving crucial in sustaining the regional economy. And this is cause for hope going forward.

4. I don't understand how the report can predict a future decline in young, educated workers while at the same time citing the influx of college students as one of the strongest sources of in-migration into New England states. How can both of these be true?

The study argues that current level of college-related in-migration is impressive and is the most positive demographic trend working in favor of the region. However, the report goes on to argue that **the current level of enrollment** in higher education, as well as the current level of degree attainment, **will still not be enough** to counter the many other demographic and educational trends working against the region.

In short, unless we begin to do much better at attracting and enrolling college students, and making sure more of them succeed once in college, we will unfortunately still face a long-term decline in their presence in the workforce.

5. What other challenges do New England states face going forward?

A vibrant higher education system does not permanently inoculate states against out-migration of their former college students. The college experience introduces a new population to the various states, but whether this population remains or not, is a function of what the state economy offers once students complete their schooling.

The lack of job opportunities is an obvious, long-standing threat to the economic viability of the northern tier states of Maine, Vermont, and to a lesser extent New Hampshire. The largest economic cloud hanging over the southern tier states is clearly housing affordability. High housing costs disproportionately affect the young—and this group is arguably the last population component that we can afford to lose.

4. What practical recommendations do the authors offer?

Understanding college students as a key wellspring of our future population growth forces us to rethink and expand our conception of higher education institutions as not only sources of innovation and technology, but also as ‘future worker attractors.’

This fuller understanding of the role of higher education ought to prompt state and local leaders to craft a fresh economic and education policy agenda. Each state needs a strategy for using its schools to ‘bring them here and keep them here.’ And for those young people native to the region, our policies must help persuade them they have very good reason to stay here.

The research suggests that much of the demographic change in the New England states is associated with college attendance and student decisions about educational programs. ***New England 2020 therefore argues that the public policy initiatives with the most potential to foster in-migration and mitigate population difficulties are actually those aimed at improving the quality, access, and affordability of our higher education institutions.***

As for programmatic responses to these challenges, the authors offer several initiatives as a useful starting point for decision-makers, including:

- Business/higher ed/K12 partnerships that develop college aspirations and college readiness as early as middle school. Such partnerships—by boosting college participation rates—would help make the most of the existing native population as a potential economic resource, and
- Campus-to-workplace “bridge” programs in which industries, state policy-makers, and higher education institutions collaborate more closely to move recent graduates directly into those areas of the labor force generating the most demand for new workers.

About The Authors

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About The Nellie Mae Education Foundation

The Nellie Mae Education Foundation is the largest philanthropy in New England that focuses exclusively on promoting access, quality, and effectiveness of education. Based in Quincy, Massachusetts, the Foundation provides grants and other support to education programs in New England that strive to improve underserved students' academic achievement and access to higher education.

The Foundation also funds research that examines contemporary educational opportunity issues that affect New Englanders, convenes educators, policy-makers, and community members to influence public policy in education. Since it was established in 1998, the Foundation has awarded more than \$63 million in grants and support.

To learn more about the Foundation, or for access to the full report and other background materials, please visit www.nmefdn.org.