Employment Research JULY 2009

Timothy J. Bartik and Michelle Miller-Adams

The Kalamazoo Promise as a Model for an American Promise

here is general agreement that the United States would gain great economic benefits from significantly increasing the educational and skills attainment of its citizens. Even with large increases in the relative wages of college-educated workers to others, the percentage of Americans with college degrees has not dramatically increased.

Increased educational attainment would raise wages considerably for those who acquired more education. It would also help reduce income inequality by increasing the relative wages of the less-educated versus the educated. There also is noteworthy evidence of productivity spillovers from more education: local labor markets with a greater percentage of more-educated workers have higher average wages for all workers. This may reflect a greater ability of employers to introduce more advanced production techniques when workers have more skills.

Not everyone needs a college degree. There is considerable evidence of healthy demand for workers possessing middle-level skills and having either an associate's degree from a community college or an occupational certification. But in today's world economy, the U.S. labor market would probably benefit from ensuring that all Americans get a postsecondary education or skills certification that leads to a productive and decent-paying career.

Despite the economic need for skills, the United States does not currently seem to have an effective strategy for increasing postsecondary skills acquisition. There is little evidence that No Child Left Behind, a standards-based approach to improving K-12 education, has led to dramatic increases in skills acquisition. And despite plenty of rhetoric

advocating increasing college access for all, college financial aid has not kept pace with the rising costs of college.

The Kalamazoo Promise provides one possible model for the United States to break with this pattern of a high ratio of rhetoric to reform in educational policy. The Promise provides all graduates of Kalamazoo Public Schools (KPS) who attended KPS at least since 9th grade with 65 percent or more of the tuition for attending a public university or community college in Michigan. Kalamazoo Public Schools graduates who attended since kindergarten get 100 percent of their tuition paid.

This program, guaranteed by its private donors to be available for many years to come, aims in part to enable more KPS graduates to go to college. But it also intends to change student and parent attitudes. The Promise allows all KPS students and their families to know that they will be able to afford to go to college. It signals to those students and their families that the Kalamazoo community expects them to pursue postsecondary education. The hope is that these changes in expectations and attitudes will improve students' behavior and academic achievement.

Does the Kalamazoo Promise work? The results are not yet in on this social experiment. There are some signs that the Promise has increased graduation rates of African American KPS students, and there is no doubt that it has also significantly increased enrollment in KPS and stabilized the school district's racial balance. In terms of the regional economy, George Erickcek, senior regional analyst at the Upjohn Institute, computed a forecast of the impact of the Kalamazoo Promise. Using very conservative assumptions that take into account displacement effects,

he projected a regional net growth in employment of more than 2,200 persons per year within 12 years of its implementation in 2006, and a net growth in personal income of about \$140 million per year.

Could the Kalamazoo Promise provide a model for an American Promise? In fact, Michigan has already shown the way with the creation of Promise Zones in ten communities across the state. Like the Kalamazoo Promise, these initiatives unite the goals of education and economic development. They also suggest that the state's troubled economy is yielding innovations that can provide a model for the nation.

A national model of the Kalamazoo Promise might guarantee that all students would receive sufficient tuition support to readily afford two years of college or an apprenticeship program. An American Promise could help move the United States from a system of K-12 for all to one of K-14 for all. It would send a clear signal to all American families that postsecondary education is possible, and indeed expected. Beyond this signal, it would provide an incentive for families, students, and educators to increase expectations and achievement in earlier school years.

Timothy J. Bartik is a senior economist at the Upjohn Institute. Michelle Miller-Adams is an assistant professor of political science at Grand Valley State University and a visiting scholar at the Upjohn Institute.



"Michelle Miller-Adams captures the truly unique story of the Kalamazoo Promise without losing sight of the universal lessons it offers us. [This book] is essential reading for anyone who wants to understand the future of economic

and community development in our country."

-Governor Jennifer M. Granholm, State of
Michigan

To order this book, see the back page of this newsletter, call 1-888-227-8569, or visit http://www.upjohninstitute.org.