

A Proposal to Establish a Michigan Higher Education Policy Institute

The Need

We live in a time of very rapid and profound social transformation, in our world, our nation, and most particularly in our state. A radically new system for creating wealth has evolved that depends upon the creation and application of new knowledge. Today finds Michigan at the dawn a new age, an age of knowledge, in which the key strategic resource necessary for prosperity has become knowledge itself, that is, educated people and their ideas. Yet knowledge can be created, absorbed, and applied only by the educated mind. Hence schools in general and universities in particular will play increasingly important roles as our societies enter this new age.

The State of Michigan has long benefited from an exceptionally strong system of public colleges and universities. To some degree this is due to the unusual autonomy granted these institutions that has allowed them to evolve and adapt to the changing education needs of the state. Unlike most other states, which have used statewide coordinating bodies or master plans to shape higher education, Michigan has tended to rely more on market forces and institution-specific strategies to shape the evolution of higher education in what might best be termed a "creative anarchy".

Yet there are many important policy issues that must be addressed by our citizens, our institutions, and state government in the years ahead. For example, access to higher education has become an issue of increasing importance as the costs of a college education continue to rise, and the capacity of state government to fund higher education becomes more limited in the face of other public priorities. Do we need different policies to influence the evolution and diversity among our public colleges and universities? How will technology affect education in our state? How should higher education relate to other education sectors such as K-12 education and workforce training? How do we strike an appropriate balance between higher education as a public good, benefiting all citizens in our state, and as an individual benefit, dictated by the marketplace? Are new policies needed to stimulate the commercialization of the new knowledge produced on our campuses and drive economic development in our state.

So too, we need ongoing mechanisms to understand better the rapidly changing landscape of higher education. How do Michigan colleges and universities compare with those in other states, or perhaps even other nations? How are the higher education

needs and roles of other constituencies such as the federal government, the business community, and the nonprofit foundations changing?

The Proposal: A Higher Education Policy Institute

To address these issues, we propose that the state fund a Michigan Higher Education Policy Institute at the University of Michigan to serve as a resource for state government. The MHEPI would draw together faculty experts from the university and policy experts from government and elsewhere to address those higher education issues of importance to state government such as access, financing, differentiation of missions, and benchmarking with other states. MHEPI would be responsive to specific requests from state government for assistance on higher education policy matters, and it would supervise graduate students working as interns in Lansing and elsewhere on state policy issues. MHEPI would also serve as a forum, where leaders from government, business, education and other sectors could gather to discuss key issues. It would also host visitors from state government and elsewhere to participate in both research and instructional efforts.

Proposed Structure

The Michigan Higher Education Policy Institute would be created through regental action as an academic unit within the Gerald Ford School of Public Policy, although participating faculty members would also be drawn from other university programs such as the Schools of Literature, Science, and the Arts; Business Administration; Education; Information; and the Institute for Social Research.

It is proposed that the Michigan Higher Educational Policy Institute be sustained by an annual state appropriation of \$1.5 million, augmented by additional funding through sponsored research grants from the federal government and foundations.