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Wasted Talent

I am an experienced older American worker. I have gained streams of workplace experience that were obtained without a formal education. … [My life] situation forced me to take this path. Now, to get the same job I've held for so many years, I need a degree. I can't change my past, but what about me now? … I shouldn't be ruled out. People like myself hold wells of workplace experience that are still useful and productive and can help with this employment situation. (Faith, blog entry, rethinkinghighereducation.com, 2008)

Faith is just one of millions of people who have been left in the dust by an approach to education and learning that says, "Classroom first, and nothing else matters." As we will see, there are tens of millions of adults in the workforce who have not been able to achieve recognition for their learning or their capacities at the postsecondary level. Each person's case, taken individually, may seem like a sad song; even, perhaps, a little whiney. But millions of such cases, taken together, create a rising chorus of pain and waste, which crescendos into a weaker social and civic life and a declining ability to compete in the global economy.

For the first time in our history, we are creating more jobs requiring high skills and talent than we are educating people to

fill them. We cannot afford to ignore the talent of people like Faith any longer. Wasting talent has transitioned away from being largely a moral issue to becoming a national security issue.

As a result, we stand at a crossroads in American history. For more than two hundred years, the American example has rested on our people: how we treated each other; how we behaved in a democratic republic; and what we did with our hands, our courage, and our ingenuity. Imagine an American future that is compromised socially, civically, and economically, at home and around the world, because, just when we needed it the most, we refused to recognize the talent that we have. And imagine that, with that refusal, we had forfeited our national capacity to think, invent, and change—our ability to continue our leadership in a rapidly changing global marketplace.

Wasted talent is putting our leadership position in the world at risk. For the first time in a century, some people are beginning to wonder whether the American example will continue to inform and illuminate the dark corners of human existence.

In engineering there is a phrase that describes the angle at which any substance will settle if you put it against a vertical surface. Engineers initially used it to determine when it was safe to go near huge amounts of slag or excavated material, heaped against the side of a canyon wall. Wallace Stegner used this term as the title of his extraordinary book, *Angle of Repose* (1971). In the book, Stegner was referring to human relationships, describing how they reach an "angle of repose" over time, settling to the point where there is no more significant movement. This marvelous, if disturbing, metaphor suggests a final resting place for people, relationships, countries, and civilizations. In it, each entity has its own angle of repose—the point at which the dynamism ceases and the future is largely stable, fixed, and understood.

I am urgently concerned that America's system of higher education has reached its own angle of repose. As I analyze America's wasted talent and its impact on our future, the questions come at

me. Is our social, civic, and economic future fixed and determined by the current capacity and quality of our educational institutions? Are there other ways to educate millions of people who are currently poorly served by the existing system?

This angle of repose cuts two ways. First, it characterizes the diminishing capacity of our system to educate more people well. Second, it describes the impact of that failure on the larger society. We are denying millions of people a seat at the table of economic opportunity and the personal satisfaction that comes with it. And we are denying American competitiveness and prosperity the power boost that harnessing our wasted talent would give it.

When I grew up in Vermont, we understood that the salt used to clear the roads in the winter was bad for the cars and the trucks. Even though you couldn't see it happening, the salt accumulated in the undercarriages, eating away at the metal frames and destroying the vehicles.

Just as road salt eats away at the undercarriage of a Vermont pickup truck, wasted talent and the denied opportunity that goes with it corrode the social, civic, and economic undercarriage of our democracy. Invisibly, wasted talent eats away at each person's hope for a better future, the self-respect that comes with pride in personal performance and with the ability to provide for one's family and participate in the life of the community. Wasted talent is not simply an individual's problem, or someone else's problem, it is a national economic and security issue that needs to be addressed.

I approach the urgency I feel about wasted talent with some caution, however. I am not a radical. Raised in a moderate republican family in Vermont, I was encouraged to believe in the value of the democratic process, in America's special place in the world, and in the need for peace and harmony as prerequisites for economic stability and prosperity. Above all, I was encouraged to believe in the institutions of government, including universities, as part of the "sacred secularity" that is American democracy. Voting, I came to understand, is our secular religion, tying us all

to the grand vision of a life of opportunity together. In that vision, learning is the key to personal success and crucial to our success as a society.

But, with a nod to caution, we need to sound the alarm. There are numbers that describe the serious situation we face. Sometimes, however, statistics don't sufficiently humanize a crisis, compelling people to pay attention. And of course there is the old skepticism about "Lies, damn lies, and statistics." America, it is said, is always better at responding to a crisis than anticipating one. We like to see the problem before we solve it. Or, as Winston Churchill allegedly put it, "America always comes up with the right solution, but only after trying all other possibilities!"

If we wait on this problem, it will be too late. It will be like waiting until the ninth ward in New Orleans is flooded and gone before we take action, even though we know the consequences of not maintaining the levees on the Mississippi River. Or waiting until a small island nation in the Indian Ocean prepares to disappear before we understand one practical impact of global warming. Or waiting until trillions of dollars simply melt into nothing under the harsh sun of wanton irresponsibility and rapacious greed, throwing people out of work and out of their homes, before we understand that not all financial regulation is bad.

We need to think ahead about the solutions to wasted talent. But sometimes thinking ahead is not what we do best. So, as we prepare to think about the cost of wasted talent in America, let's think first about America's place in the world and the consequences of additional economic weakness and failure.

For the last one hundred years, we have stood as a bastion for many things, including entrepreneurship and free enterprise, liberty and justice, and the enduring power of the separation of church and state under the consent of the governed. Despite our well-recorded struggles with fairness and racism, we have been more welcoming than any other country, becoming home to millions of people from around the world. All of this rests on the foundation of an enduring and representative democracy.

America and the American promise stand at the intersection of two powerful concepts and life forces: liberty and justice. Liberty is the icon of individualism, the inalienable right of the individual to life, liberty, and the pursuit of happiness. It promises that we will be free from the domination of others, free to speak, to practice religion—or not, as we please—to make our own ways.

But liberty is balanced out by justice, a competing and complementary concept. Justice is the concept of the common good, the commitment that people will be treated fairly under the law. We agree that there are legitimate interests of the many over the few, to be moderated and determined by the three branches of government.

These two powerful philosophies ebb and flow in America along the political spectrum, from Adams to Jefferson, from Lincoln to Roosevelt, and from Reagan to Obama—each having a different view. They are sometimes competing philosophies, but they are both embraced by our democratic system.

Some would argue that America's greatness is captured in our institutions of government, the Bill of Rights, the Constitution, or the separation of powers. As revolutionary and historic as these documents and concepts are, however, they are only the skin and bones of democracy. They would mean little without a citizenry willing to believe in them. I believe that the genius of American democracy lies in hope, the promise of opportunity for all, a belief that your children will have a better life than you.

The presence of hope in people's hearts is what makes America great and binds our society together, carrying oxygen to all parts of our civic and social body. And, if the promise of opportunity is the bloodstream of America, then learning and education are the mighty beating heart that makes the blood flow, creating and nurturing our human talent.

The American promise is that there are as many seats at the table of opportunity as there are people who wish to take one. In America, you do not have to wait for someone to die, or push someone off his or her seat to get your opportunity. Here, we say

you don't have to stand in line. If you work hard, you can grab the dream and have a seat at the table of opportunity with everyone else.

With this cultural and political dynamism based on opportunity, we stand as a beacon of hope and possibility in a world that is still too much caught by the hierarchies of the past, by ancient divisions that divide people and frustrate their abilities to prosper. And, if recent history has taught us anything, it has taught us that these chaotic forces of dark history are still there, loaded with the latent ability to destroy social, civic, and economic organization. It is important that we endure.

America's emergence as the undisputed world leader occurred in recent history, over the last one hundred years. The low point of this period followed World War I, the decades of the 1920s and 1930s. Trade barriers went up, destroying markets around the world. Cultural isolationism and hierarchy were rampant as people retreated within their personal histories and national borders for comfort. Paradoxically, at the same time, the country also joined others in a futile search for world peace through the naïve "Treaty to End All Wars," Kellogg-Briand.

We all know what happened next: the worst depression in the history of the world, with the resulting rise of the worst demagogues in the history of the world—Hitler, Mussolini, and Stalin. Ultimately, untold millions suffered and died in the worst war in the history of mankind. This is the bitter harvest reaped from a provincial isolationism that infected most aspects of American life during that period. We learned that it does not work to retreat from the world.

Just as surely as we withdrew from the world, however, America rose mightily to the extraordinary challenge of dealing with the consequences of isolationism. America anchored the forces in all theaters of World War II that led to victory. And America also had the foresight and the courage to anticipate the war's successful aftermath with such brilliant programs as the Marshall

Plan and support for creating the United Nations. This was, truly, our finest hour—the high point in the century of American emergence.

Since the century's midpoint, the American promise to the world has been challenged from within and without. Our greatest foreign policy victory was a war with few military battles, the Cold War. The strategy of containment served us well, using the examples of American life and economic democracy to shine as the preferred alternatives to communism and dictatorship. At the same time, our military excursions thereafter—Korea, Vietnam, Iraq—met with increasing resistance and, at best, mixed results.

Over the same period of time, a world diminished in size by modern travel and communications has seen its economic structure and potential increase dramatically. The global economy has erupted, with both significant environmental consequences and the emergence of a super-elite, which has amassed an astonishing percentage of the world's resources, earnings, and assets.

Where does this leave America and the American example? Are we in the early stages of an extended period of stagnation leading to ultimate decline, seeking our angle of repose as has been the story with other empires? Or will we gather our resources and our wits, and reenter the fray in appropriate ways to engage and deepen our leadership of the global saga that is unfolding?

As the assistant director general of education at the United Nations Education, Science, and Cultural Organization (UNESCO), I watched the expenditure of the final goodwill credited to America's account when our soldiers liberated Europe during World War II. Years of growing frustration with our approach to foreign affairs, cultural encroachment, and global economics hardened into a cold hostility toward the government of America. And, among less developed countries, there was a persistent level of suspicious resignation that America and other developed countries would have their way first, with only the crumbs left for the "home" country's indigenous aspirations and plans.

As I returned home from UNESCO, I studied this perspective from the American view. It didn't look much better. Our greatest threat is internal, stemming from a combination of domestic near-sightedness and a complacent arrogance about our role in the rest of the world. Perhaps it is natural to worry about ourselves first. But it is dangerous and counterproductive to believe that the way we do things will ultimately be "best" for the world. Indeed, in some cases, "the way we do things" has reached its limits of effectiveness for us as a country as well.

The structure of our higher education system and our rising tide of wasted talent are worrisome cases in point. We have a system of higher education that is admired by the rest of the world. Other countries are copying it, even partnering with our institutions as a development strategy in some cases. Yet the costs and consequences of wasted talent, to be fully reaped in the future when our failures have compounded, are already accumulating at our feet.

Education and workforce development are domestic issues. But they have global repercussions. Without domestic success in these areas, our economy will be seriously and structurally weakened, prolonging if not driving a continuing global downturn that will have a devastating effect. Getting this issue right, here in America, so that people have a way to achieve the American Dream once again, is also critically important to the welfare of the world.

Shortly before President Obama's inauguration in 2009, I wrote him an open letter on my blog, www.rethinkinghighereducation, about wasted talent. I addressed the letter to the president because it allowed me to organize the critical nature of the education and workforce crises we face in a policy-political framework. I wrote,

> Dear President Obama,
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> You are facing two crises of immense proportion and complexity: in foreign affairs and finance. They are

harvested, I believe, from a complacent, arrogant, and outdated assumption about American destiny in the world. I am writing you about a third such crisis, not yet fully shaped. But, like a tsunami, it is beginning to suck our resources out to sea before inundating our shores with further social, civic, and economic pain. It also is incubated by an arrogant complacency fueled by America's historic superiority in higher education.

Let me share some hard truths. Although we have a fine higher education system, it cannot solve this problem for us. Consider the situation we face.

- We are the only developed country in which younger workers are less well educated than older workers.
- Our workforce is aging, retiring, and declining.
- The number of new jobs is growing, with predicted skilled worker shortages of 7 million in 2010 and 21 million in 2020.
- Right now, 85 percent of all new jobs require at least some postsecondary education.
- By 2014, 78 percent of all jobs will require some postsecondary education.

Against this future, we have a system of schooling that currently is losing one-third of all students before high school graduation, with only 18 percent actually proceeding to at least the associate's degree by age 23.

We are missing the workforce education mark we need to hit in 2014 by 50 percent. And all the people available to work in 2014 are already in the education pipeline: high school and college! If, however, we think fixing the pipeline will solve the problem, we are making a dreadful error. The number of people in the pipeline

is stagnating, and we already have a surplus of jobs with a deficit of documented talent, making a robust business future unattainable. Once this tsunami hits us, it will be too late to respond effectively.

The solution: We can generate the 7 million more highly skilled workers we need from the adult population that we already have.

There are over 40 million American adults with high school diplomas, some college-level learning, and an enormous amount of learning and experience accumulated in noncollegiate settings. We should acknowledge their unrecognized knowledge and skills and put them to use in the American workplace (Jones, 2009).

To achieve this, direct the Department of Education to commission a Request for Proposal that asks accredited institutions of higher education and other educational entities to propose how they will

- accept certificates recognizing corporate and workplace-based training for academic credit,
- accept military and other recognized education and training for academic credit,
- assess other life experience, using validated procedures, for academic credit,
- recognize all transcripted college learning from accredited colleges for progress toward the degree, and
- put it all on a consolidated, approved transcript, so that the transcript holder can move forward educationally and economically in the workplace.

We know how to do these things right now. The only obstacles are academic tradition, arrogance, and conceit.

> Mr. President, please don't fall into the "skill training" trap. We need thinkers who can work and workers who can think. Business Round Table and Chamber of Commerce surveys show that employers want three things, above all else, in their new workforce.
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> 1. Workers who can "self-direct" and adapt
> 2. Workers with a global perspective
> 3. Workers who can think critically and write
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> Harvesting the skills, knowledge, and ability that are already resident in our workers won't take a lot of money. It will, however, take something else, something easy to say and extremely difficult to do: the ability to change how we look at learning, where it happens, and how we value it. Promote that change and we can rejuvenate America's economy from the inside out.
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> Sincerely,
>
> Peter Smith

The adult learners we will meet in future chapters lie behind these statistics and philosophy. They, and millions of others like them, are out there, living and learning valuable behaviors, skills, and abilities. But they are blocked from having their true potential recognized and from benefiting from that recognition by the success ceiling in American education. As a result, their talent is compromised and wasted.

They are capable people. But they are also casualties, wasted talent reflected in the grim statistics of the Law of Thirds. Alan, a blogger who responded to a piece I wrote, addressed the Law of Thirds and its impact on him.

> I am one of the two-thirds without the degree that you mentioned. I have been running my own business for

> the last ten years. During that time, I have acquired numerous skills and a tremendous amount of knowledge. I am now at a point in my life where I want to move on to the next challenge. Unfortunately, any job listing I come across that I am qualified for in regard to the position, I do not meet the educational requirements. I know in my heart that I have plenty to offer. I also know that a degree will open more doors for me. I have looked into getting credit for my work experience, but the process is cumbersome and lengthy for a working adult with a family. The kind of aggressive innovation that adults like me need involves streamlining that process. Instead of discouraging people like me, embrace us and discover the talent and innovation we can bring to the workforce.

As you consider these stories, you will begin to see the many ways that the success ceiling operates to keep people out.

- Colleges are psychologically remote, holding people away with a reputation as places that are alien to working adults. They have the aura and mystery of the unknown, or forbidden fruit.
- Colleges are experientially remote. They don't recognize the value of learning that happens somewhere else, outside of college. Imagine having your entire life experience—work, personal, and social—nullified by an arbitrary historic practice.
- Colleges are physically remote, requiring a time and time-of-week commitment that simply does not align well with other demands on an adult's life.
- Colleges are academically remote, refusing to honor credits earned at other colleges, in the military, or in corporate training.

- Colleges are financially remote, requiring too much expense and debt to get to the degree.
- Most colleges have enrollment limits, enforced by funding, space, and reputation, making them unavailable to many people.

To the person on the outside looking in, any one of these obstacles is huge. But when taken in combinations, they appear to be evidence that college is for someone else. Millions of good people simply do not have an option. They are defeated by "the way things have always been."

Having lost a fight they never picked, these capable, interesting, accomplished adults are trapped on the far side of the bright line of learning, separated from formal education and the benefits it brings by the success ceiling in American higher education.

This is bad business for them, but it is worse for society.

The Law of Thirds forces a waterfall of talent over the edge of the educational cliff, cascading into the streambed of life below. Wasted talent is a two-edged sword. It is a human and financial tragedy for the individual. These people will earn less and contribute less to the support of the government while, in all likelihood, consuming more government services during their lifetimes. It is a public economic tragedy as well, hollowing out the workforce of the future, leaving it woefully underpopulated and unable to sustain robust economic growth.

Think of it. By the time young adults reach the workforce, one-third of them have had their potential dismissed or ignored during their high school years, whereas another one-third have survived, although they didn't thrive. The final third, our "success" story, form the core of the workforce and citizen force with which we will face the twenty-first century and its requirements for global economic and political leadership.

If tomorrow's projected workforce were an army, it would make Washington's army at Valley Forge seem like a juggernaut. Tactics,

daring, and the weather alone won't win this battle, however. Only programs that unlock talent will win the day.

There are four elements in this equation: the current workforce, current and future job creation, necessary preparation, and current capacity in the younger workforce. When you look at each of these elements, and then take them collectively, you can see that if things do not change dramatically, America will not be able to compete as effectively in the global economy over time.

Just as water is sucked out to sea before the tsunami surges in, the lack of adequately prepared workers is the outflow of recognized human talent prior to the economic tsunami about which I warned in my letter to President Obama. Quietly, older workers are disappearing from our workforce. And, just as quietly, we are failing to replace them with workers who have the skills necessary to do the job. When the wave comes ashore, it will be too late. Workers with necessary skills won't exist and the jobs will be gone, lost either overseas or to a low-performing economy. And America and the world will be at risk.

As the data in my letter to President Obama clearly indicates, America is missing the critical education-workforce development mark on all important scales. We will have fewer workers, who are more poorly trained, in a market of growth in jobs that require more higher education and greater sophistication and skill levels. Instead of doubling our number of college graduates by 2020, we are on track to either stand still or improve slightly, missing the mark by millions of people and jobs.

In his speech to Congress in February 2009, President Obama made a direct connection between our failure to educate all our citizens and our economic weakness. He called on all Americans to attain some college experience after earning their high school diplomas. The President recognized that we cannot afford to deny access to higher education and advanced work skills to two-thirds of our population. It is socially, civically, and economically untenable. The Law of Thirds is an algorithm that explains the failure of our schools with these populations. We must break the ceiling

imposed on success by the Law of Thirds and stop wasting our native talent, attaining greater levels of educational achievement by many more people. Then, a new algorithm will emerge.

Failure to break through the success ceiling has significant social, civic, and economic consequences for our country. A population that can't provide for itself is a population deprived of the basic American promise: hope for a better future. American learners need the learning they have been denied. And America needs a civic force and workforce ready for the twenty-first century.

The success ceiling has several facets. It can be:

- circumstantial (your life circumstances change);
- psychological (you have been convinced that you are a "loser");
- financial (over a million high school graduates each year do not attend college, although they are qualified);
- qualitative (the curriculum and classrooms are biased against certain types of intelligence and learning styles); or
- quantitative (there are a limited number of spaces for students to occupy, so some are left behind).

But the consequence is always the same: wasted talent.

The success ceiling operates invisibly. There is no count of the fallen, beyond the notoriously understated and unreliable drop-out rate. It is similar to the highway bridge that fell into the river in St. Paul, Minnesota, a few years ago. There had been reports of structural weakness on file for years. But, like wasted talent, the weakness was ignored because it was invisible, until the bridge fell down.

The critical question remains: How will we unlock the talent we have in America? Who will do it?

The first part of the answer to this critical question may sound counterintuitive to some people, given my tone so far in the book.

In order to unlock the talent we have, we need our traditional colleges and universities to keep doing what they are already doing, and to do it better. There are three reasons for this.

- First, they are good at educating many of the students who currently attend and they are getting better every day. In addition, their contributions to research and knowledge development are unparalleled.
- Second, their graduates are the foundation of any long-term solution we develop, the down payment on the future we seek. So, we need their graduates now, more than ever. A jaguar is a beautiful, swift-running animal. Our colleges and universities have honed their capabilities. Let them run.
- The third reason, the subject of the next chapter, is more complex. For all the things it does well, traditional higher education as we currently know it is largely "maxed out." It has reached the point of diminishing returns when it comes to addressing this new challenge and the new learners who come with it. We need a "new breed of cat" to break through the success ceiling in American higher education.

America's higher education history is a proud one. But asking our existing institutions to meet the problems that face our country and our workers today, to take sole responsibility for productively harnessing America's wasted talent, would be a grave error.

Some may think that I am being too extreme in my analysis of this problem. Others may think that I am mischaracterizing the capacity of our current institutions to respond. Our recent experiences, however, suggest otherwise. Throughout my adult life, I have watched these problems, and others, fester without resolution.

In some other areas of former American dominance, outside of education, the chickens are coming home to roost. The American

production model, unchecked and embraced by China's billions of people, may well warm the globe and change the life patterns and the economies of additional billions in the process. The American automobile industry, having successfully frustrated mass transportation in the 1950s, is running out of cheap oil and highway inventory. Their model is collapsing, and so are the companies and the communities in which they reside. And some of our banks and other financial institutions have ridden the American model of free enterprise right off the cliff, weakening the country and the world's economy.

In light of these consequences of American arrogance and shortsightedness, consider the impending situation in higher education and workforce development. Our education system is mature, whereas our global competitors' systems are still developing. If we are "maxed out," the system is doing the best it can do. That is its effective "success ceiling," its angle of repose, the limit to its productivity. Faced with the need for dramatic education improvements, our dominant educational model is hamstrung, producing diminishing returns against the growing need.

If this is true, our overseas competitors don't need to beat us in education, they just have to do as well. Even if the developing nations of the world are affected by the Law of Thirds and ultimately stall out at the same success ceiling as America, they will swamp the global marketplace with new, educated entrants before they hit the ceiling. How can we possibly compete with a China, let alone a world, that has not yet achieved our level of success within its own population?

If we don't break through the success ceiling, less-developed countries will swamp us with the sheer numbers of their educated new entrants to the global workforce, as they move toward their one-third plateaus. Their advantage in this competition lies squarely in the fact that they are currently behind us in the development of the dominant model. In a world that is developing rapidly, America is standing still.

America's system of higher education has drawn a bright line between the learning that goes on in a person's life and the learning that occurs in colleges and universities. On one side of the line, we have millions of capable people leading productive lives with little or no recognition of the valuable knowledge they have. On the other side, we find a smaller group, those lucky enough to have found and fit into higher education the way it is organized. Their academic learning and the credentials that certify it give them the inside track to economic and social opportunity.

This bright line contradicts both common sense and the promise of opportunity embedded in the American Dream. It is also bad business for a country that needs all the talent it can get to prosper civically, socially, and economically.

This double standard operates in the workplace as well, where the same system of rewards and credentials fails to recognize personal learning, thus denying mobility.

- A woman returning to paid work after years of raising a family, managing a household, and organizing hundreds of community events finds that there is no way to cash in on the knowledge and skills she has developed over the years.
- Returning soldiers get partial or no recognition for the training and the experience they have accumulated during their service years.
- A senior employee is forced to train her new supervisor for the job she can do but can't have because she doesn't have the required degree.
- Courses and continuing education seminars taken elsewhere are not trusted by the employers.

It is a system that, at its worst, is dominated by an academic marketplace that emphasizes credentials over competence, overlooking the very human resources it is supposed to strengthen.