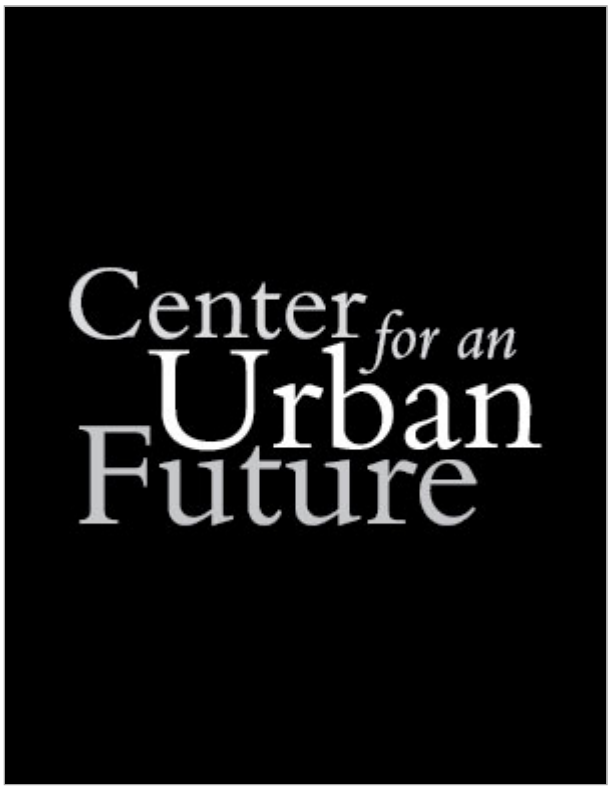

Commentary/Op-Ed - May 2009

Q&A with Anthony Carnevale, Director, Georgetown University Center on Education and the Workforce

As part of our series of Q&As with innovators, entrepreneurs and policy experts, the Center's David Jason Fischer interviews Anthony Carnevale, former chair of the National Commission on Employment Policy, about the changing labor market, the future of vocational education and the impact of the recession on New York City.

by David Jason Fischer

While much of the media attention on unemployment in the current recession has focused on investment bankers and other professionals who have suddenly found themselves out of work, data clearly shows that less educated workers, in New York and elsewhere, continue to bear the brunt of job losses. This is a dynamic that holds in good times and bad, and has powerful implications for local economic conditions. As the post-industrial economy continues to provide ever-greater rewards to educational attainment and skill mastery, and the economic health of communities increasingly depends upon supplies of such "human capital," policy researchers and advocates are looking both to quantify the specific value of credentials and skills and to ensure that traditionally disadvantaged groups can access short- and long-term opportunities.

For more than a quarter-century, economist Anthony Carnevale has been at the forefront of research and discussion around these and other issues of education and workforce development in the American labor market. Currently the director of Georgetown University's Center on Education and the Workforce and a research professor at the school, Dr. Carnevale previously was a Senior Fellow at the National Center on Education and the Economy and Vice-President for Public Leadership at Educational Testing Services. He was appointed by President Bill Clinton to chair the National Commission on Employment Policy in the early 1990s, and later served on the White House Advisory Committee on Technology and Adult Education and Training from 2000 through 2003. CUF Project Director David Jason Fischer spoke with Dr. Carnevale on these and other topics in March 2009; that conversation is excerpted here.

CUF: What is the current recession showing us about the larger transformation of the economy?

AC: The structure of work in America has evolved to the point where it's a high skill economy in just about every sector.When you put money out for infrastructure, the image that brings to mind is the guy with a shovel. But that's not how bridges are built anymore. If you're going to have a bridge project, that's managers, engineers, accountants…

When you think about that spread across all the industries we hit, it's about four percent of managers per industry, or more than that. When you put a dollar down to build a bridge, you're engaging the full range of workers who fulfill that function.

What this brings home is that the modern economy is fairly skill-intensive. If you specifically said that what we should have done was target subsidies to low-wage, low-skilled workers in those industries, you couldn't build the bridge. A substantial share, half or more, you wouldn't be covering their wages, and the states can't pick up the slack.

CUF: How do we ensure that the lowest-skilled jobseekers have access to work created by measures such as the stimulus?

AC: When the monies come down in states and communities, there should be some pressure to ensure that low-skilled workers are preferred as hires and that there's access to training to allow them to do the work. It's very doable; it's not as if we don't have the structures in place to include people on work sites over time so they can handle the job.

I would hope that the WIA [federal Workforce Investment Act] system and community colleges and economic development people who are charging these things are thinking about it. The people in charge of outreach and training for the least advantaged need to be in very early on this. They need to focus on training for specific occupations and functions that will be required in the projects themselves as well as figure out how to do geographic outreach. It takes active leadership to make these connections; the market will not do it by itself.

CUF: Is career and technical education (CTE) part of the answer for the country addressing its skill needs?

AC: Everybody agrees that not everybody should go to college, except for their own kids. That's a self-defeating idea. Once you get on the ground, a lot of parents and kids would rather have a vocational preparation. Not the majority, but a significant number. But ever since “A Nation at Risk” [the groundbreaking 1983 report on the state of public education in the U.S., which led to a series of policy changes culminating in the current emphasis on standardized testing]—we decided to get rid of general ed, and that voc ed in HS was no longer to be the dominant pathway, if available at all.

I think the American idea now, whether or not it squares up with reality, is that everybody has to be ready to go to some kind of postsecondary education or training, even if that's just apprenticeship or certification. That idea puts the CTE people in secondary schools in a one-down position: the only way they can legitimize themselves, in my experience, is to use this kind of applied curriculum as an alternative pedagogy so that people will still get general skills. The claim to fame is that the kids who take these programs and succeed do go to college.

CUF: Is the challenge with CTE primarily pedagogical or cultural?

AC: It's mostly culture, but there is some reality to it: wage differentials are strong and growing stronger between postsecondary and high school or less. That's reasonably clear. It squares with reality and the economy up to a point, and what's left for vocational programs below the postsecondary level is to focus on general preparation through applied learning. I think the truth of it is that there are a lot of young people who could benefit from vocational training.

With “A Nation at Risk,” we decided everyone would do college prep. Now 35 to 40 percent get a two or four year degree. What about the rest? We want them all to be striving toward some kind of post-secondary education or training. By adding or training we expand the vision a bit; industry certifications or community college based credentials are more legitimate than they used to be. In general people get that what we're talking about is “post-secondary” as opposed to college. If you can build programs in high school that do not prevent people from moving on to post-secondary, that seems to be the solution.

As usual with Americans, we want to have it both ways: we're going to prepare people for college and applied kinds of jobsat the same time. We say that we want to give them more choices. But one choice everyone needs to have is the option to move on to some post-secondary.

CUF: Why does CTE seem to yield better results for high school students who struggle in the traditional academics-oriented high school setting?

AC: Cognitive science speaks loudly on this subject: that academic training of the usual sort is [comprised of] learning abstractions and learning through a hierarchy of abstractions. The four years of math are all abstraction, textbook based, and each level is higher up. And if you go to college it continues to grow. It's all very academic; you don't need to step outdoors. The insight is that all learning occurs in a context—it doesn't happen in the abstract. Most people learn better in the context of a specific knowledge domain. Applied learning is a very powerful pedagogy, not just linked to subject matter. It teaches in a much more powerful way than abstract academic instruction.

Another thing is that most young people are in some ways very grown up by the time they get to high school—they're in the real world, whether we like it or not. They're fairly mature. For a lot of these kids the idea of school is something of an absurdity; they go there every day and study things that don't align with what they understand life to be. CTE connects them more to the adult world, to real things. As younger people get more sophisticated in some ways, this becomes more and more relevant. If younger people don't engage in the real world, they feel no connection to the adult world--the stuff they see on TV or in their homes or on the street. This stuff connects to them and especially for the disadvantaged, they learn better.

The pedagogical case for CTE is very powerful. The cultural case is very weak. The roads you take to status and higher earning in America are still through the traditional college format. It might be great to be an electrician but if you're a lawyer, a doctor, a senior manager, you have a sense of power in the world that we never give electricians. It's one of those ironies that’s very hard to escape. It's very clear that we order society by occupation. Every minority kid who's looking at Barack Obama [understands that] you don't get there by being an electrician.

CUF: A few years ago, you said, “There's very little alignment between the education system and the labor market in America.” Is this still the case? At some point does the cost of that lack of alignment force us to reevaluate?

AC: I think generally an education system in a market economy won't survive unless it's roughly aligned. That's what our system is. It always lags behind. The alternative is [a model like that used in] Germany, where the employers, trainers and unions sit down, decide what the course is, and build the course off the job. In the U.S., other than licensing, we don't do this through meetings and boards.

What we do, and so far I think this is preferable, is that the education system is catch as catch can. The students show up, and if everyone knows that finance is a hot degree, you get a lot of kids going into finance. When you look at the American post-secondary system and the 1.5 million bachelors’ degrees granted every year, now 30,000 BAs are liberal arts; the other 1.47 million are essentially occupational or industrial. If you're in management you'll try to get a job in business or work as part of an administrative apparatus of another institution.

In 1946, 80 percent of this stuff didn't exist. There weren't programs in recreation management. The two-year system hasthis closer to a 50-50 split between general instruction and specific vocational preparation… there's always a rough alignment.

Otherwise the system would have no relevance to getting a job.

More is always better—having a BA beats having an AA as far as earnings go. But what you take matters a lot: if you've gota certificate, a junior college certificate, in engineering, you'll earn more than do 25 percent of people with BA's. If you have an AA in engineering, you'll earn more than a larger share of those who have BA's. In general it's still true that the hierarchy of certificates and degrees holds up—though it gets more and more complicated all the time.

CUF: Would you agree that relatively speaking, New York City is well positioned in terms of human capital over the next decade or two? What are the risks that the city faces and what policy actions should it pursue?

AC: The ability of New York City to draw human capital is extraordinary. The issue always is what about the other peoplewho live here, most of whom were born here. That's always with you: the integration of people who are essentially isolated from what is a vibrant economy. If New York City's economy isn't vibrant, it's probably because everywhere else is struggling too.

The city is going through an ugly phase with the collapse of the finance industry, but it will be rebuilt. The upside won't be as steep as the downside, but we do know that the recession itself will kill off jobs from the bottom up. That's the way recessions work. A New York Federal Reserve Bank study pointed out that 30 percent of the increase in unemployment prior to the 1991 recession was temporary. The view now is that from now on they're always going to be structural: given the way the global economy works, by and large the low-skill low-wage jobs you lose won't come back. The Federal Reserve Bank argues that there's almost no temporary unemployment anymore; when you come out the other side, you're looking at a different distribution. And one of the characteristics of it is that it's more human capital-intensive. That's a big reason why a lot of people never recover their earnings.

One of the things we're trying to figure out is on a year-by-year basis what the world is going to look like in terms of skill requirements. Even the preliminary stuff is pretty striking—at the peak of the recovery, the differences will be really startling in terms of job requirements.

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