

AA
PI file under
"Educ"
Thanks
JC

Document No. _____

WHITE HOUSE STAFFING MEMORANDUM

DATE: May 16 ACTION/CONCURRENCE/COMMENT DUE BY: ---

SUBJECT: PUBLIC ATTITUDES TOWARD EDUCATION

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input type="checkbox"/>	GERGEN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
MEESE	<input type="checkbox"/>	<input type="checkbox"/>	HARPER	<input type="checkbox"/>	<input type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	JENKINS	<input type="checkbox"/>	<input type="checkbox"/>
DEAVER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MURPHY	<input type="checkbox"/>	<input type="checkbox"/>
STOCKMAN	<input type="checkbox"/>	<input type="checkbox"/>	ROLLINS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CLARK	<input type="checkbox"/>	<input type="checkbox"/>	WHITTLESEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WILLIAMSON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DUBERSTEIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	VON DAMM	<input type="checkbox"/>	<input type="checkbox"/>
FELDSTEIN	<input type="checkbox"/>	<input type="checkbox"/>	BRADY/SPEAKES	<input type="checkbox"/>	<input type="checkbox"/>
FIELDING	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input type="checkbox"/>
FULLER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Atwater</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<u>McMANUS</u>		<input checked="" type="checkbox"/>

Remarks:

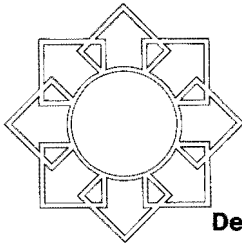
The attached was prepared by Dick Wirthlin for the OSG.

Ciccioni -

Richard G. Darman
Assistant to the President
(x2702)

Response:

JAB HAS SEEN



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DATA EXTRACTED
FROM DECISION/MAKING/INFORMATION'S SURVEY DATABANK
on
Public Attitudes towards Education

Prepared for
White House OSG

May 12, 1983

IMPORTANCE OF EDUCATION

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTEP----- -POLL NO-- ----PUBLISHED IN---- DATE PUBL
GALLUP 180 GALLUP OPINION INDEX 1980-08

-----QUESTION-----
HOW IMPORTANT ARE SCHOOLS IN ONE'S FUTURE SUCCESS-
EXTREMELY IMPORTANT, FAIRLY IMPORTANT, NOT TOO
IMPORTANT?

-----ANSWER-----
EXTREMELY IMPORTANT 82%
FAIRLY IMPORTANT 15
NOT TOO IMPORTANT 2
NO OPINION 1

-----SURVEY DATES----- -SAMPLE POPULATION-- SAMPLE SIZE --INTERVIEW MODE-----
1980-05-01 NATIONAL 1547 IN HOUSE
ADULTS

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1982

-----POLLSTER-----	-POLL NO--	-----PUBLISHED IN----	DATE PUBL
HARRIS	1980-27	ABC / HARRIS SURVEY	1980-03-03

-----QUESTION-----

I WOULD LIKE TO READ YOU A LIST OF TRENDS IN THIS COUNTRY, AND I'D LIKE YOU TO TELL ME WHETHER YOU THINK EACH ONE IS GOING TO CONTINUE THROUGH THE NEXT 10 YEARS OR NOT.

HOW MUCH EDUCATION A PERSON HAS WILL BECOME MORE IMPORTANT TO A CAREER

-----ANSWER-----

WILL	72%
WON'T	20
DEPENDS	4
NOT SURE	4

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1979-09-19 1979-09-28	NATIONAL ADULTS	1514	TELEPHONE

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTEP-----	-POLL NO--	-----PUBLISHED IN-----	DATE PUBL
HARRIS	1978-53	HARRIS SURVEY	1978-07-03

-----QUESTION-----
 AS FAR AS YOU PERSONALLY ARE CONCERNED, DO YOU
 FEEL IS VERY IMPORTANT IN MAKING THE
 QUALITY OF LIFE BETTER IN THIS COUNTRY, ONLY SOME-
 WHAT IMPORTANT, OR HARDLY IMPORTANT AT ALL IN
 MAKING THE QUALITY OF LIFE BETTER?

"ACHIEVING QUALITY EDUCATION FOR CHILDREN"

-----ANSWER-----

	1978	1976
VERY IMPORTANT	88%	81%

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1978-04-26 1978-06-06	NATIONAL ADULTS	1567	NA

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER-----	-POLL NO--	-----PUBLISHED IN-----	DATE PUBL
HARRIS	1978-48	HARRIS SURVEY	1978-06-15

-----QUESTION-----
 I'M GOING TO READ YOU A LIST OF RIGHTS AND FREE-
 DOMS WHICH SOME PEOPLE CONSIDER IMPORTANT IN THIS
 COUNTRY. HOW MUCH DO YOU FEEL YOU HAVE THE
-- FULLY AND COMPLETELY, PARTIALLY BUT NOT
 FULLY, OR NOT AT ALL?

-----ANSWER-----

	FULLY & PART. BUT NOT AT COMPL. NOT FULLY ALL	NOT AT SURE		
FREEDOM OF RELIGION	96%	3%	*	1%
FREEDOM TO TRAVEL ANY- WHERE IN THE COUNTRY YOU WANT TO GO TO	95	5	*	*
RIGHT TO READ A FREE PRESS	89	9	1	1
RIGHT TO A GOOD EDUCATION	87	11	1	1

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1977-12-27 1978-01-10	NATIONAL ADULTS	1458	NA

-----NOTES-----

SPENDING

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER-----	-POLL NO--	----PUBLISHED IN----	DATE PUBL
HARRIS	1981-15	HARRIS SURVEY	1981-02-19

-----QUESTION-----
A MAJOR FIRST EFFORT OF THE REAGAN ADMINISTRATION
WILL BE TO CUT BACK ON FEDERAL SPENDING. ONE WAY
THEY PLAN TO DO THIS IS BY RESTRICTING ELIGIBILITY
FOR CERTAIN BENEFITS THE FEDERAL GOVERNMENT NOW
SUPPORTS AND BY REDUCING THE AMOUNTS OF FUTURE
INCREASES IN THESE BENEFITS.
NOW LET ME ASK YOU ABOUT MAJOR FEDERAL GRANT PRO-
GRAMS. DO YOU FAVOR CUTTING FEDERAL SPENDING ON...
AID TO ELEMENTARY AND SECONDARY SCHOOLS

-----ANSWER-----
FAVOR 34%
OPPOSE 63
NOT SURE 3

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1981-01-22 1981-01-25	NATIONAL ADULTS	1250	TELEPHONE

-----NOTES-----

DEPARTMENT OF EDUCATION

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER-----	-POLL NO--	-----PUBLISHED IN-----	DATE PUBL
RDPFR	NA	PUBLIC OPINION MAGAZ	1982-02

-----QUESTION-----
 I'M GOING TO READ YOU A LIST OF ACTIVITIES THAT
 PEOPLE HAVE SUGGESTED THE GOVERNMENT COULD BE
 INVOLVED WITH. FOR EACH, PLEASE TELL ME IF YOU
 THINK IT IS BEST PROVIDED BY THE FEDERAL
 GOVERNMENT, STATE GOVERNMENT, LOCAL GOVERNMENT, OR
 SHOULD MOSTLY BE PROVIDED OUTSIDE GOVERNMENT.

COLLEGE AND UNIVERSITY EDUCATION

-----ANSWER-----

FEDERAL GOVT.	STATE GOVT.	LOCAL GOVT.	OUTSIDE GOVT.	MIXED (VOL.)	DON'T KNOW
22	49	9	10	8	3

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1981-11-14 1981-11-21	ADULTS NATIONAL	1500	NA

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER-----	-POLL NO--	-----PUBLISHED IN-----	DATE PUBL
ROPER	NA	PUBLIC OPINION MAGAZ	1982-02

-----QUESTION-----
 I'M GOING TO READ YOU A LIST OF ACTIVITIES THAT
 PEOPLE HAVE SUGGESTED THE GOVERNMENT COULD BE

INVOLVED WITH. FOR EACH, PLEASE TELL ME IF YOU
 THINK IT IS BEST PROVIDED BY THE FEDERAL
 GOVERNMENT, STATE GOVERNMENT, LOCAL GOVERNMENT, OR
 SHOULD MOSTLY BE PROVIDED OUTSIDE GOVERNMENT.

ELEMENTARY AND HIGH SCHOOL EDUCATION

-----ANSWER-----

FEDERAL GOVT.	STATE GOVT.	LOCAL GOVT.	OUTSIDE GOVT.	MIXED (VOL.)	DON'T KNOW
17	40	32	3	6	2

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1981-11-14 1981-11-21	ADULTS NATIONAL	1500	NA

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER----- -POLL NO-- -----PUBLISHED IN----- DATE PUBL
GALLUP 180 GALLUP OPINION INDEX 1980-05

-----QUESTION-----
AS YOU MAY KNOW, A NEW FEDERAL DEPARTMENT OF
EDUCATION HAS BEEN ESTABLISHED WITH CABINET
STATUS. WE WOULD LIKE TO KNOW WHAT YOU THINK THIS
NEW DEPARTMENT SHOULD GIVE SPECIAL ATTENTION TO IN
THE NEXT FEW YEARS. WILL YOU CHOOSE FIVE OF THE
AREAS LISTED ON THIS CARD WHICH YOU THINK ARE MOST
IMPORTANT.

-----ANSWER-----

1 BASIC EDUCATION(READING, WRITING, ARITHMIC)	69%
2 VOCATIONAL TRAINING(TRAINING FOR JOBS)	56
3 IMPROVE TEACHER TRAINING & EDUCATION	46
4 HELPING STUDENTS CHOOSE CAREERS	46
5 PARENT TRAINING TO HELP PARENTS BECOME MORE FULLY INVOLVED IN CHILDREN'S EDUCATION	45
6 HELPING MORE STUDENTS OBTAIN A COLLEGE EDUCATION	35
7 DEVELOPING INDIVIDUAL EDUCATIONAL PLANS FOR EVERY CHILD	33
8 PROVIDING MORE OPPORTUNITIES FOR GIFTED STUDENTS	25
9 PRE-SCHOOL EDUCATION	24
10 LIFE -LONG LEARNING(CONTINUING EDUCATION THROUGH ADULT LIFE)	20
11 BETTER EDUCATIONAL USE OF TELEVISION	20
12 INTERNATIONAL EDUCATION - FOREIGN LANGUAGE	19
13 IMPROVING OPPORTUNITIES FOR WOMEN AND MINORITIES	18

-----SURVEY DATES----- -SAMPLE POPULATION-- SAMPLE SIZE --INTERVIEW MODE-----
1980-05-01 1980-05-08 NATIONAL 1547 IN HOUSE
ADULTS

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER----- -POLL NO-- -----PUBLISHED IN----- DATE PUBL
GALLUP 180 GALLUP OPINION INDEX 1980-08

-----QUESTION-----
IN YOUR OPINION, WHO SHOULD HAVE THE GREATEST
INFLUENCE IN DECIDING WHAT IS TAUGHT IN THE PUBLIC
SCHOOLS HERE - THE FEDERAL GOVERNMENT, THE STATE
GOVERNMENT, OR THE LOCAL SCHOOL BOARD?

-----ANSWER-----
FEDERAL GOVERNMENT 9%
STATE GOVERNMENT 15
LOCAL SCHOOL BOARD 68
DON'T KNOW 8

-----SURVEY DATES----- -SAMPLE POPULATION-- SAMPLE SIZE --INTERVIEW MODE-----
1980-05-01 1980-05-08 NATIONAL 1547 IN HOUSE
ADULTS

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER----- -POLL NO-- -----PUBLISHED IN----- DATE PUBL
DECISION/MAKING/INFORMATION 06-99-0009 NA NA

-----QUESTION-----
MR. SMITH BELIEVES THAT SINCE EDUCATION IS ONE OF THE PRIMARY RESPONSIBILITIES OF GOVERNMENT, THE CREATION OF A SEPARATE DEPARTMENT OF EDUCATION IS A STEP FORWARD. HE FEELS THAT AN AGENCY DEVOTED JUST TO EDUCATION WILL BE ABLE TO IMPROVE THE QUALITY OF EDUCATION OUR CHILDREN RECEIVE.
MR. JONES BELIEVES THAT THE CREATION OF A SEPARATE DEPARTMENT OF EDUCATION IS AN UNNECESSARY STEP THAT JUST MEANS MORE BUREAUCRACY AND MORE WASTED MONEY. HE DOESN'T THINK THAT THE NEW DEPARTMENT WILL ACCOMPLISH ANYTHING THAT COULDN'T HAVE BEEN DONE UNDER THE PREVIOUS SET-UP

-----ANSWER-----
EXACTLY LIKE MR. SMITH 15%
MORE LIKE MR. SMITH THAN MR. JONES 24%
MORE LIKE MR. JONES THAN MR. SMITH 25
EXACTLY LIKE MR. JONES 33
NO OPINION 04

-----SURVEY DATES----- -SAMPLE POPULATION-- SAMPLE SIZE --INTERVIEW MODE-----
1981-01-06 1981-01-09 NATIONAL 1300 TELEPHONE
ADULTS

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER----- -POLL NO-- -----PUBLISHED IN----- DATE PUBL
DECISION/MAKING/INFORMATION 06-99-C009 NA NA

-----QUESTION-----
MR. SMITH BELIEVES IT IS A GOOD IDEA FOR THE FEDERAL GOVERNMENT TO BECOME MORE INVOLVED WITH LOCAL EDUCATION. HE FEELS THAT ONLY THE FEDERAL GOVERNMENT HAS THE POWER AND THE MONEY TO MAKE SURE THAT ALL SCHOOLS HAVE EQUALLY HIGH STANDARDS AND THAT ALL STUDENTS HAVE EQUAL OPPORTUNITIES TO LEARN. MR. JONES BELIEVES THAT EDUCATION SHOULD BE CONTROLLED PRIMARILY ON THE LOCAL LEVEL. HE FEELS THAT THE FEDERAL GOVERNMENT TENDS TO IMPOSE THINGS ON THE SCHOOLS THAT PEOPLE ON THE LOCAL LEVEL DON'T REALLY WANT.

-----ANSWER-----
EXACTLY LIKE MR. SMITH 11%
MORE LIKE MR. SMITH THAN MR. JONES 20
MORE LIKE MR. JONES THAN MR. SMITH 33%
EXACTLY LIKE MR. JONES 35%
NO OPINION 01%

-----SURVEY DATES----- -SAMPLE POPULATION-- SAMPLE SIZE --INTERVIEW MODE-----
1981-01-06 1981-01-09 NATIONAL 1300 TELEPHONE
ADULTS

-----NOTES-----

QUALITY OF EDUCATION

GREAT DEAL OF CONFIDENCE IN INSTITUTIONS

=====
 Between October 29th and November 1st, the Harris Survey asked a cross section of 1,250 adults nationwide by telephone: "As far as people in charge of running (READ EACH ITEM) are concerned, would you say you have a great deal of confidence, only some confidence, or hardly any confidence at all in them?"

	<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>1973</u>	<u>1972</u>	<u>1971</u>	<u>1966</u>
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Medicine	32	37	34	30	42	43	42	43	49	57	48	61	73
The military	31	28	28	29	29	27	23	24	29	40	35	27	61
Major educational institutions such as colleges and universities	30	34	36	33	41	37	31	36	40	44	33	37	61
The U.S. Supreme Court	25	29	27	28	29	29	22	28	34	33	28	23	50
Television news	24	24	29	37	35	28	28	35	32	41	X	X	X
The White House	20	28	18	15	14	31	11	X	18	18	X	X	X
Organized religion	20	22	22	20	34	29	24	32	32	36	30	27	41
Major companies	18	16	16	18	22	20	16	19	15	29	27	27	55
The press	14	16	19	28	23	18	20	26	25	30	18	18	29
Congress	13	16	18	18	10	17	9	13	16	X	21	19	42

Harris - November 1, 1982.

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION -- SURVEY DATES 1982 - 1983

-----POLLSTER-----	-POLL NO--	-----PUBLISHED IN----	DATE PUBL
AUDITS AND SURVEYS, INC.	NA	THE MERIT REPORT	NA

-----QUESTION-----
IN YOUR OPINION, SHOULD OR SHOULD NOT HIGH SCHOOL
STUDENTS BE REQUIRED TO PASS A BASIC COMPETENCY
EXAM ON READING, WRITING, AND MATH BEFORE GRADUAT-
ING FROM HIGH SCHOOL?

-----ANSWER-----
YES, THEY SHOULD 93%
NO, THEY SHOULD NOT 5%
NO OPINION 2%

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1982-09-07 1982-09-10	NATIONAL ADULTS	1200	TELEPHONE

-----NOTES-----

MAY 12, 1983

SURVEY DATABANK SYSTEM

EDUCATION - SURVEY DATES - 1982-1983

-----POLLSTER-----	-POLL NO--	-----PUBLISHED IN-----	DATE PUBL
GALLUP	NA	NEWSWEEK MAGAZINE	1981-04-27

-----QUESTION-----
SHOULD TEACHERS BE REQUIRED TO PASS A COMPETENCY
TEST BEFORE THEY ARE HIRED?

-----ANSWER-----

YES	89%
NO	7
DON'T KNOW	4

-----SURVEY DATES-----	-SAMPLE POPULATION--	SAMPLE SIZE	--INTERVIEW MODE----
1981-03-11 1981-03-17	NATIONAL ADULTS	1103	TELEPHONE

-----NOTES-----

EDUCATION
Federal Role

Princeton University

VICE PRESIDENT FOR PUBLIC AFFAIRS

223 NASSAU HALL, PRINCETON, NEW JERSEY 08544

January 6, 1982

Mr. James W. Cicconi
Special Assistant to the President
The White House
1st Floor, West Wing
Washington, D.C. 20500

Dear Jim:

I enclose a copy of the paper prepared by Bill Bowen in response to Jim Baker's request for his thoughts on the proper role of the federal government in higher education.

I want simply to echo Bill's offer to be of further service if there are additional ways in which we can help. The questions addressed in the enclosed paper are important ones for the country, and we want to do all we can to encourage thoughtful and constructive consideration of the policy issues involved.

I trust you successfully transported your family from Houston. It must be a source of great satisfaction finally to have them with you in Washington.

With all good wishes,

Sincerely,



Robert K. Durkee

RKD/esd
Enclosure

THE ROLE OF THE FEDERAL GOVERNMENT
IN HIGHER EDUCATION

William G. Bowen

January 6, 1982

The appropriate role of the federal government in higher education, as I envision it, is a limited but extremely significant one. My starting point is a general belief that the federal government should act in a particular area if, and only if, all three of the following conditions are met:

1. There is a clear national interest to be served;
2. There is a need for federal involvement, since state and private efforts, however welcome, will not meet the national need adequately without complementary federal actions;
3. There is a workable mechanism that can be used effectively by the federal government to accomplish its purposes.

There are four broad areas in which I believe the federal government has a proper -- indeed indispensable -- role. They are:

- A. Support of basic research;
- B. Support of graduate education and advanced training;
- C. Encouragement of individual opportunity and diversity within the educational system; and
- D. Maintenance of an environment that encourages private support of education and the decentralized exercise of responsibility for educational decisions.

Let me now discuss the reasons why each of these areas satisfies the three-pronged test stated above.

A. SUPPORT OF BASIC RESEARCH

1. National Interest.-- There is a strong and long-standing consensus on the national stake in promoting basic research of the highest quality, much of which is conducted in universities.* On what is this consensus based?

●Such research is critically important for the nation's economy, and especially for the rate of economic growth over the long run. This nation's "comparative advantage" is in new ideas, technology, and our capacity to innovate. Thus, basic research in a wide variety of fields is essential to our ability to compete with countries such as Japan that are themselves investing heavily in research. Some observers believe that the momentum of research accomplishment, especially in high technology areas, has already started to swing away from the United States. Failure to make substantial investments in the discovery of new knowledge is a sure route to economic stagnation. And there are grounds for serious concern that current efforts to increase investments in capital goods and in industrial research and development will not be matched by equivalent efforts to strengthen the basic research which must provide their foundation.

●Basic research is also essential to further progress in medicine, in the health sciences generally, and in a great many other areas, such as transportation, where new ideas can generate far greater national benefits and may be far more productive in the long run than simple additions to expenditures in support of current technologies and practices.

* While important research is of course also carried out in government and industrial laboratories, a recent NSF study found, for example, that 70% of the "major advances" in four selected fields (Mathematics, Chemistry, Astrophysics, and Earth Sciences) were the result of research done in universities.

●Basic research is vital to the defense capability of the nation. Any number of examples can be cited to show how weapons systems, new modes of communication, and other devices central to the defense effort have stemmed from fundamental advances in mathematics, astrophysics, and many other subjects -- advances often achieved without any thought of specific applications.

●Basic research -- including scholarship of the highest order in the humanities and social sciences as well as in science and engineering -- is important if the United States is to continue to enjoy a position of international leadership in the world of ideas, and is to be regarded as a country concerned about human values as well as technical proficiency. At a practical level, the wise governing of the nation depends on an understanding of our own society, and our effective interactions with other countries depend importantly on the depth of our understanding of other cultures and societies. The deterioration in the nation's language capabilities and in research related to international affairs (as documented in the Perkins Commission Report of 1979) surely weakens our country's ability to play an effective role in world affairs.

2. Need For Federal Involvement.-- But why must the federal government act, as distinct from the states and private enterprises, if the compelling national interest in basic research is to be served? The answer lies in the nature of basic research and in the concept known to economists as "spill-over benefits." Basic research is an inherently less predictable enterprise than many others; there can never be a guarantee that valuable results will be obtained from any one undertaking; the benefits from successful efforts are likely to be realized fully only over long periods of time; and these benefits often turn out to be surprisingly different -- and to have a far greater variety of applications -- than could have been anticipated. Accordingly, those responsible for the discoveries cannot expect to capture for

themselves all of the benefits that flow from basic research. In short, the benefits of a powerful new idea in, say, mathematics inevitably "spill over," as they should, to many individuals, companies, activities, and uses. Consequently, the nation at large has a far stronger economic incentive to invest heavily in basic research than does any individual enterprise.

It should also be recognized that traditional attitudes toward competition in the United States, as reflected in our stringent anti-trust laws, make it less likely here than in some other countries (Japan is again a useful example) that groups of companies will band together to fund basic research. Of course, as one moves along the scale from basic research toward more applied work, the economic incentive for business to do the investing increases, since results are more predictable, potential applications are clearer, and processes and products can be patented. For this reason, the economic case for governmental involvement is not nearly as strong at the "applied" end of the research spectrum as at the "basic" end.

3. Mechanisms.-- In considering the availability of mechanisms to serve the federal interest in the promotion of basic research, we can point to proven experience with two complementary modes of support:

(a) Sponsored research linking particular agencies of government with particular projects (through contracts and grants) has worked well since it was introduced on a large scale after World War II. This mode of support is flexible, in that it allows the government to reflect its greater interest in some fields than in others through the amounts of money provided. The "project" mode of support also allows sponsoring agencies to provide funding to those individuals and groups that it believes will do the best work, while simultaneously taking advantage of existing research facilities.

(b) Programs designed to provide "core" support for laboratories, libraries and other shared research facilities in leading universities can complement the beneficial effects of project support. The recent deterioration of scientific laboratories and facilities, in particular, is widely seen as a major handicap to the basic research effort in the United States, and it is clear that institutional resources alone will be inadequate to remedy the situation. Nor can support awarded on an individual "project" basis be expected to meet this broader need to preserve the underlying foundations for both outstanding research and advanced training.

B. GRADUATE EDUCATION AND ADVANCED TRAINING

1. National Interest.-- Excellence in graduate education is related directly to research and scholarship of the highest quality. Research benefits immeasurably from the active involvement of the brightest young minds; strong graduate programs, in turn, are essential if we are to educate the leaders of the next generation in the sciences, in engineering, in international studies, and in all other fields. Thus, the long-term national interest in a vigorous research enterprise requires that we insure a steady flow of the most capable young people into advanced training.

The United States today has an enviable reputation all over the world for the quality of both its graduate education and its research (as illustrated, for example, by the large number of foreign students who come here for advanced training and by this country's remarkable success in winning Nobel prizes). But this reputation is both more recent and more fragile than many realize, having been built largely over the past forty years. A substantial federal investment has been critical in this process, and it must be continued -- not for the purpose of educating large numbers of graduate students in fields in which job pros-

pects are bleak, but to assure that the country will continue to educate its most outstanding potential candidates.

It is important to the nation that we make full use of the talents of all of our citizens, including women and members of minority groups. This is an essential objective at the graduate level because it is advanced training that qualifies individuals for academic positions and many other leadership roles.

2. Need For Federal Involvement.-- The case for the assumption of some measure of federal responsibility for graduate education (especially in certain fields) is derived in large part from the case for support of basic research. The two activities are mutually reinforcing and together provide major spill-over benefits for the country as a whole that extend beyond the rewards that will accrue to the individuals being educated.

Financial assistance to graduate students, in the form of fellowships, research assistantships, and some relief from market rates of interest on loans, is essential if we are to attract strong candidates -- especially in fields where the lure of alternative career paths is all too clear. In engineering, for example, where there are currently 2000 vacant faculty positions, we are enrolling such a limited number of well-qualified candidates in graduate programs that we face a serious risk of failing to replenish our educational "seed corn." In other fields as well, the ablest candidates have many other attractive options. But it is essential to the future of basic research and the advancement of learning that graduate education be attractive to those who have the ability to work at the forefront of the search for knowledge in the years ahead -- and who must also be counted on to educate their own successors in the following generation.

There is a special case to be made for federal guarantees of student loans. It is difficult for individual graduate students without substantial resources to obtain funds from

private capital markets for the simple reason that they have no collateral to offer. Students seeking to invest in their own "human capital" face obstacles fundamentally different from those faced by borrowers seeking to finance acquisition of an asset that can be used to secure the loan (the house in the typical case of the home mortgage). Thus, there is a compelling reason for government loan guarantees here that does not apply in many other instances.

In a limited number of specialized fields, there is also a strong need for federal assistance that extends beyond support for outstanding graduate students. Universities alone simply do not have the resources needed to offer excellent graduate programs (or to do the necessary research) in fields that are as inordinately expensive as, for example, Plasma Physics and Chinese Studies. Yet outstanding work in such fields is vital to the national interest.

3. Mechanisms.-- Here again effective mechanisms for federal participation already exist. Perhaps the most successful has been the portable, merit-based fellowship program of the National Science Foundation. This highly regarded program has concentrated support on the most promising candidates, has given them recognition as well as financial support, and thus has played a major role in sustaining the flow of outstanding future scientists into mathematics, physics, and many other fields. The ability of students to use these fellowships at whichever university seems to them best (hence the designation "portable") is an extremely important feature, in that it provides a market test of graduate programs, as their quality is perceived by the strongest candidates. Also, fellowship programs of this kind can be kept deliberately small, thereby encouraging the ablest students without simultaneously stimulating overly large graduate populations in fields where the national interest may not require large numbers.

Sponsored research has also provided valuable support for graduate students, who are trained as they contribute to the research projects. Here again quality (this time as determined by panels of leading scholars) has dictated the allocation of funds. The "training grants" of the NIH, which combine some of the features of fellowship programs with some of the features of sponsored research grants, have been especially useful in enabling excellent students to pursue advanced training in the health sciences.

As noted above, the guaranteed loan program has also proved to be an effective means for enabling graduate students to invest in themselves, under terms that they can afford and with assured access to capital. At the same time, I believe that the definition and administration of this program can be improved.*

Finally, there are also existing mechanisms that provide the more general support for graduate education required in special fields that are both extremely costly and essential to the national interest. Project support (defined broadly) and training grants can continue to serve this purpose in the sciences. A certain amount of general support has been critically important to the development of international and regional studies in universities and should be maintained on a competitive basis through the Language and Area Centers Program.

* One problem with the program in its current form is that it does not control directly the numbers of graduate students who may be supported through it. My own view is that so long as there is a degree of interest subsidy involved (as I think there should be in most cases), it is desirable to find a way of limiting access to the program -- preferably on the basis of the quality of individual candidates. This would save resources, and it can be done in ways that do not undermine the program's essential function as a residual source of support for highly talented students who are also highly motivated.

C. INDIVIDUAL OPPORTUNITY AND DIVERSITY

1. National Interest.-- One of our most significant national characteristics is our commitment to the philosophy of advancement by merit and to the proposition that in this country individuals should be able to move up the ladder of accomplishment as far as their energies and abilities will take them. Educational opportunity is a key to this philosophy. By pursuing this commitment, we have taken advantage of talent that otherwise would have been lost to the nation and have given substance to this aspect of what is often referred to as "the American Dream." It cannot be claimed that we have served this high purpose perfectly. Plainly, barriers of many kinds continue to limit the upward mobility of many deserving young people. But we have done better in this respect than most countries, and now is no time to abandon an objective that seems so right in principle as well as so very important in its practical effects.

"Diversity" within our educational institutions is a related but different concept that has become something of a catchword. But we should not lose sight of what it means and why we should care about it. As Justice Powell observed in the Bakke decision, the quality of the educational process is enhanced when individuals from different backgrounds, with different perspectives, learn together -- and from each other. This would be important in any society, but it is especially important in the United States, where we pride ourselves on our pluralism. There is surely a strong national interest in avoiding the re-segregation of many educational institutions on the basis of economic status, race, or geography. The social fabric would be harmed greatly if this were to occur, and the quality of education would be diminished for all.

2. Need For Federal Involvement.-- Educational opportunities should be available nationally, not just within the students' home states, and that is an important reason for

federal involvement in this broad area. The educational purposes of the country as a whole will be served most effectively if students are able to attend the colleges and universities best suited to their individual needs, and if there is a considerable degree of mobility across state lines.

In my judgment, students (and their families) should be expected to invest heavily in the pursuit of their own educational goals. That is why many of us insist so strongly on "self-help" contributions and on scholarship aid provided only on the basis of remaining need. In addition, both state and private sources should be expected to provide scholarship assistance, as they have historically. But with tuition and other charges now over \$10,000 per year at a number of private colleges and universities and over \$7,000 for out-of-state students at some state universities, these sources alone will not promote adequately the twin national goals of individual opportunity based on merit and diversity within the educational system. Accordingly, there is an important supplementary role -- not a dominant one but more a supporting role -- for the federal government in this area.

3. Mechanisms.-- While these large purposes are relevant to both graduate and undergraduate education (albeit in different degrees), the comments that follow apply mainly to undergraduate financial aid. (Comments on graduate student support were made earlier.) It is fortunate, in my view, that a basic structure of federal support for undergraduate students already exists. It is composed of a carefully crafted mix of programs involving: (a) direct grants to students based on family circumstances (but not on the costs of the college they attend); (b) campus-based programs including work-study that allow additional support to go to needy students in relation to their educational costs; and (c) guaranteed loan programs. For reasons mentioned already, and for reasons related to the desirability of maintaining strong private as well as public institutions (discussed below), it is important

to preserve this basic structure. It has been built up carefully over time to offer students from all economic backgrounds some real choice -- including the option of attending more expensive, and often more selective, institutions if they can meet the academic standards and are willing to make the personal financial sacrifices required.

This is not the place for detailed comments on specific elements of present federal financial aid programs. Let me add only these observations. First, I agree that the administration -- and even the construction -- of parts of these programs had become too lax and, consequently, too expensive. It was understandable that reductions in support and redefinitions of programs should occur, especially at a time of such overall budgetary stringency. Even now, it may be possible to achieve some additional economies -- in particular by basing student aid even more fully on demonstrated need and by requiring larger self-help contributions. But it would be a serious error, in my judgment, if in the pursuit of economies, we were to lose sight of our broad national purposes. I would hate to see us reach a point where we would say, in effect, to those of ability but limited means: "yes, you can go on to college, but be sure it is not too expensive a place; the more costly educational opportunities are reserved largely for those whose families are affluent enough to pay the bills." That message would be clear -- and clearly read -- as a significant retreat from major national goals. The long-term effects on education in America, and on our society, would be damaging in the extreme.

D. MAINTENANCE OF AN ENVIRONMENT THAT ENCOURAGES PRIVATE SUPPORT OF EDUCATION AND THE DECENTRALIZED EXERCISE OF RESPONSIBILITY FOR EDUCATIONAL DECISIONS

1. National Interest.--- Beyond the provision of direct governmental support for the purposes listed above, the national

interest also requires the maintenance of a setting, a set of incentives, and a philosophical orientation conducive to private initiative and decentralized processes of decision-making. This entails:

- Encouraging private contributions (from individuals, corporations, and foundations) for the educational purposes served by all colleges and universities, public and private;

- Sustaining a healthy variety of educational institutions by promoting the continuing vitality of strong privately administered colleges and universities as well as those responsible to state authorities; and

- Insuring that those regulatory actions deemed necessary are carried out as non-intrusively as possible.

2. Need For Federal Involvement.-- Each of these objectives is affected by actions taken -- and not taken -- by the federal government. It is the federal government's taxing power that can create (and diminish) the most powerful economic incentives for charitable contributions by the private sector; federal programs inevitably affect the sometimes delicate balance between public and private institutions; and federal regulations affect directly the degree of autonomy enjoyed by individual colleges and universities in both the public and private sectors. More generally, it is only the federal government that has a sufficiently broad perspective to give force to a national philosophy that encourages a variety of educational approaches, that respects individual choice, and that therefore seeks to avoid imposing any one model of education on our society.

3. Mechanisms.-- Tax incentives for private philanthropy have served the national interest in higher education well for many decades, and it is all the more important that they be preserved -- indeed strengthened -- at a time when more of the

burden of support for higher education is being shifted to the private sector. Of immediate concern are the likely side effects on private giving caused by the reductions in income tax rates and other provisions of the Economic Recovery Tax Act of 1981.*

To achieve the second objective -- sustaining strong private as well as public institutions -- the government must not only preserve tax incentives for charitable giving, but must also look carefully at the implications for the various sectors of higher education of modifications in key programs. An important case in point is the array of student aid programs now being reviewed once more. The Supplemental Educational Opportunity Grant Program (SEOG), for example, was designed specifically to allow talented students some real choice among colleges by making up part of the differential in costs entailed in attending a more expensive institution. Recent proposals for ending it entirely would have particularly severe effects on private institutions. Proposed reductions in other student aid programs would also have disproportionately severe consequences for the private sector of higher education. It would be ironic -- and tragic, in my view -- if an administration committed so strongly to the philosophy of private initiative were to adopt measures that had the de facto effect of eroding the capacity of private institutions to serve essential public purposes.

Finally, with regard to regulation, most of us would agree that the federal government has both a right and an obligation to insist on accountability for public monies, to safeguard the health of citizens, to guard against discrimination, and to

* Let me add that, as much as I favor the judicious use of the mechanism of tax incentives, I do not believe that this approach works well in all situations. In particular, proposals to substitute tuition tax credits for student aid programs continue to seem to me unwise because of both adverse effects on the federal budget and likely consequences for higher education.

encourage affirmative action. But my hope is that regulations will not be insensitive to the variety of circumstances within the educational sector or so detailed that they distract institutions from their main purposes. Experience has shown that there are real limits to the capacity of the government to achieve through regulation what many would agree are praise-worthy objectives.

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The preceding discussion has sought to define the role of the federal government in terms of those responsibilities that I believe represent an irreducible minimum. While there are, of course, other programs and services that the government might usefully provide -- some existing now and some new initiatives that might be considered -- it is equally clear that in the present economic climate we must be prepared to make hard choices. It is in that spirit that this paper has been written. And it has been written, too, with the conviction that, even in the present budgetary environment, the federal government must not neglect objectives that are absolutely essential to the long-term well-being of our society.