Continuing Cut-backs for Public Institutions

State Funding as a Percentage of PASSHE’s Educational and General Budget

Source: PASSHE Fact book.
Note: figures for 2009-10 and 2010-11 include federal stimulus funds
Public Good or Private Commodity
Rob Farrow @philosopher1978 · 6m
Education is a necessary but not sufficient condition of good citizenship

Benjamin Doxtdator @doxtdatorb · 24m
I believe in education. Today, I’m skeptical that it can save us from people who think counting all the votes is some kind of fraud.
Cost relative to median family income

Source: “Measuring Up 2008”

Net College Costs* as a Percent of Median Family Income

<table>
<thead>
<tr>
<th>At public four-year colleges and universities</th>
<th>1999-00</th>
<th>2007-08</th>
<th>% pts increased</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest income quintile</td>
<td>39%</td>
<td>55%</td>
<td>16%</td>
</tr>
<tr>
<td>Lower-middle income quintile</td>
<td>23%</td>
<td>33%</td>
<td>10%</td>
</tr>
<tr>
<td>Middle income quintile</td>
<td>18%</td>
<td>25%</td>
<td>7%</td>
</tr>
<tr>
<td>Upper-middle income quintile</td>
<td>12%</td>
<td>16%</td>
<td>4%</td>
</tr>
<tr>
<td>Highest Income quintile</td>
<td>7%</td>
<td>9%</td>
<td>3%</td>
</tr>
</tbody>
</table>
One Complexity: Baumol’s Cost Disease

U.S. Productivity Statistics
One Complexity: Baumol’s “Cost Disease”

“A half hour horn quintet calls for the expenditure of 2.5- man hours in its performance, and any attempt to increase productivity here is likely to be viewed with concern by critics and audience alike.” (1967)
A false dichotomy for post-secondary education

Many, with Baumol, assume higher education has only these two options:

- Low Quality, Low Productivity
- Hi Quality, Low Productivity
- Low Quality, Hi Productivity
- Hi Quality, Hi Productivity
Thousands of video lectures from the world's top scholars.
A challenge to higher education

“Improvement in post secondary education will require converting teaching from a solo sport to a community-based research activity.”

-Herbert Simon
CMU as a hub