



Position Paper

Links Between Education and Economic Development

We are a region in transition. Rapid growth in the region has brought with it serious challenges to our individual communities and the region as a whole. Changes in technology and the world economy are impacting West Michigan like never before, and the pace of this change is increasing. We are no longer simply a collection of independent, self-contained small mid-western towns with clearly defined borders. Our prosperity and rapid growth has transformed the greater Grand Rapids, Muskegon, Holland area into an emerging metropolitan region that is now home to more than 1.1 million people.

From its start in June of 2000, the Alliance set out to be a catalyst in encouraging cooperation and collaboration among the businesses, institutions and governmental units of greater Grand Rapids, Muskegon and Holland – our Metro Tri-plex. The work of the 250+ volunteers of the Alliance included the identification of *Priorities for Regional Collaboration*. These Priorities represent those areas where, working together, we can create the greatest long-term benefit to the region. Two of these Priorities deal directly with the highly inter-related issues between the quality of the region's education system and our future economic vitality.

The communities of the West Michigan Tri-plex have a tradition of valuing education and its contribution to the region's quality of life and economic vitality. However, rapid population growth, increased ethnic, religious and socio-economic diversity, urban migration, decreasing educational funding and a highly fragmented system have resulted in major challenges for the Tri-plex's educational institutions, particularly at the K-12 level.

- **The population of the Tri-plex grew 16.1% between 1990 and 2000 compared to a state average of 6.9%. Ottawa County, the geographic center of the Tri-plex, grew at 26.9% over the same time period.**

- The area's racial and ethnic diversity rose in concert with the growth in overall population. In the four-county area, the number of white residents increased by 10.3%, the Black/African American population rose 24.4%, the Asian population grew by 97.89%, and most dramatically, the Hispanic/Latino population rose 136.43%.
- There are 43 public school districts, 25 charter schools and many parochial schools in the Metro Tri-plex. This fragmentation leads to a balance sheet heavy in administrative costs, creating a disadvantage for Michigan as we compete with other states better at delivering tax dollars directly to the classroom.
- Unacceptably high dropout rates exist in too many of our region's K-12 school systems. Those choosing to leave high school tend to stay in those communities and enlarge the population of those ill prepared to meet the growing demands of our employers.

The global economy is also placing new demands on our educational system. With a growing number of our school districts in financial crisis, the region's educational institutions cannot adequately train students for the needs of the 21st century global economy. As a result, a poorly prepared workforce could threaten the economic vitality of the region.

Over time, our manufacturing-based economy will move to a more knowledge-based economy, requiring a diverse, well-educated workforce. This will place greater demands on our local workforce and increase recruitment efforts by our region's current and future employers who will seek those trained for a 21st century economy. Their success will depend largely on our region's ability to offer a quality of life unequalled by other regions, as members of this "new creative class" will choose first a desirable region in which to settle and give second consideration to their jobs.

We know what desirable and competitive regions offer. They include excellent-adequate-educational opportunities, a wide variety of economic opportunities, safe urban areas with sound infrastructures, appreciation for diversity in all its forms, and a healthy and interesting natural environment offering unique recreational opportunities.

While we are clearly not what we once were, we have not yet arrived at what we will become. An exciting yet critical window of opportunity exists for our region to determine its future and the quality of life that will be enjoyed by future generations.

Our ability to maintain, and in fact achieve the Alliance's vision to become the "best place to live work and play" will require unprecedented collaboration between our region's governments, businesses and institutions. New partnerships between business and education are an example of the new regional mindset that will be required to insure our region's ability to compete in the 21st century.