Editorial shorts: Midwest needs bigger share of R&D dollars

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Midwestern states aren't getting their rightful share of federal research and development dollars, according to a new analysis by the American Association for the Advancement of Science.

The $8.1 billion in federal R&D outlays to Midwestern Big Ten university states "is significant," said a report released June 27, but "it is less than what one might expect based on the region's population and economic strength." Adjust for inflation, and federal R&D grants to the region in 2005 were smaller than at any time since 1970.

That diminished investment hurts. It may be holding back a regional economy that has lagged much of the rest of the country in this decade, and that looks to technological innovation to secure its future. Midwestern states are in the political spotlight this year. That gives their voters standing to ask candidates for president and Congress what they will do to boost R&D spending in their region.

Warning: High school grad rates are falling

A state -- say, Minnesota -- that wants to get more students through high school and into college should know this: High school completion rates have declined in the United States since the 1970s, even though the personal-income gain a high school diploma brings, on average, has doubled during that period.

And while the share of young Americans who go to college has risen since the 1970s, that gain is larger among students from high-income families than from low-income ones, regardless of those students' academic ability.

Those research findings, by economist Lance Lochner and presented in Minneapolis on June 27 to leaders of 12 major Midwestern universities, suggest that assuring young people of future reward isn't a particularly effective way to convince them to stay in school. Here-and-now financial circumstances have powerful sway, and keep even some high-ability high school students from enrolling in college.

Providing those students with effective antidropout intervention should yield a big payoff for a state that needs to maximize its human capital.