

## **GOLDEN: Is timing right for bonding?**

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In any discussion concerning efforts to enhance economic competitiveness, talk turns inevitably to the need for a higher education system to produce a skilled work force.

The issue is especially acute in New Jersey. The manufacturing base has shrunk steadily as firms left for a more favorable tax and regulatory climate. The jobs they provided, long a staple of the state's economic vitality, disappeared.

Many of the jobs went south, and many were outsourced overseas to take advantage of cheap labor. The result was unemployment, disrupted lives and communities hurt by lost tax ratables.

Adjusting to the new economic reality requires action on a broad front. An essential component must be assuring that colleges and universities possess high-tech research and academic facilities to turn out students with the knowledge to compete in a global economy.

With near-unanimous support and backing from Gov. Chris Christie, the Legislature approved and placed on the November ballot a referendum seeking approval of a \$750 million bond issue to finance capital investment in higher education. Proponents point out that the last large-scale capital investment in higher education occurred in 1987, and New Jersey is one of only five states to have spent no money on capital improvements in the last five years.

Without such investment, they contend, New Jersey risks falling behind neighboring states, such as New York and Connecticut, which have allocated hundreds of millions of dollars a year on higher-education facilities.

The stakes are exceedingly high, they say, nothing less than the state's viability and the opportunity to replace jobs lost in the ongoing shift from a manufacturing to a complex technological economy.

Assuming additional debt at a time of economic downturn and slow recovery is of concern to many who argue that the state's bonded indebtedness already weighs heavily on the budget, and taking on a further burden is unwise.

Supporters of the bond act must convince voters that investing now will reap dividends in the longer term by attracting private-sector innovation, development and entrepreneurial venture capital.

The Legislature limited spending to academic and research facilities, excluding their use for personnel or athletic buildings, and required those who receive the funds to provide a 25 percent match, effectively increasing the total to \$1 billion.

The program will benefit 49 higher-education institutions, including \$150 million for community colleges, \$300 million for public research universities, \$250 million for state colleges, and \$50 million for private institutions, excepting Princeton University.

Supporters also argue the bond issue would create nearly 10,000 jobs with a payroll of more than \$500 million.

When the last large-scale investment in higher education was made 25 years ago, the idea of walking around with a computer in one's shirt pocket was patently absurd. And, no one at that time could foresee hundreds of millions

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of Americans owning devices preceded by a lower case i, followed by pod, pad, or phone. Supporters of the bond issue are hoping voters will keep that in mind on Nov. 6.

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