

## **SUMMARIES OF RECENT STUDIES ON THE FUTURE OF KENTUCKY**

This report summarizes the major findings and recommendations of Kentucky Tomorrow, the Shakertown Roundtable, and Project 21 concerning the future of Kentucky. All three studies agree on the need for long-range policy planning in Kentucky. The specific recommendation on long-range planning from each effort is included on the last page of this document.

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Three major efforts to examine Kentucky's present status and what that status tells us about how to prepare for a brighter future have been made in recent years. They are the **Kentucky Tomorrow** effort, led by former Lt. Gov. Steven L. Beshear, the 1987 report of the **Shakertown Roundtable**, and **Project 21**, the still on-going effort by the Kentucky Chamber of Commerce to determine what should be done to launch Kentucky into a vital and prosperous role in the 21st Century.

All agree that Kentucky must get busy now if it desires a brighter future. All agree that Kentucky, while it has powerful assets, remains at least partially mired in a background of poverty that only major efforts in economic development and education can relieve.

The **Kentucky Tomorrow** report identifies five major trends that it said "indicate the direction and the pace of major changes molding our future." These trends are:

1. The move toward a global economy. Before 1965, the United States was "largely isolated and economically unrivaled." But this was a temporary condition. Since then, other nations have been advancing rapidly. Changes in communications and transportation have been making the world smaller with each passing day.

Neither countries nor states, the report points out, "can exist any longer as islands in economic isolation." That fact was fully demonstrated during the 1970s, when the United States began to face increased competition from Europe and Japan in sophisticated manufactured goods, while third-world nations, with their cheap labor, began to compete effectively with low-skilled American industries, such as clothing, footwear, and toys.

However, the report observed, the shift to overseas production ultimately will lessen as U.S. industries modernize to meet the challenge, and rising wages for foreign workers equalize labor costs.

2. The shift to a new economy, fueled by "explosive growth" in technology. There will continue to be a shift from a labor-intensive to an information-based economy. Service industries will continue to create a growing proportion of new jobs, but many of these jobs will be low-skilled and low-paying.

On the other hand, professional and technical employment will increase faster than total employment. There will be a companion increase in the number of jobs that require a college education or training at specialized post-secondary technical schools. But "high tech" firms will not employ people in large enough numbers to offset employment declines in other sectors.

3. The continuing technological revolution. Such things as sophisticated in-home health care are quite possible by the year 2010. "Computers," the report said, "will be as commonplace as telephones, and many people will use this technology to work out of their homes, creating new cottage industries." The report stressed that the issues surrounding

new technology must be addressed in the school system, in continuing adult education, and in public forums.

4. Decentralization. "Centralized decision-making and strict hierarchical organizational structures are rapidly giving way to diverse, flexible systems of operation and management." This is happening not only in business and industry, but in government, where states rather than the federal government are becoming laboratories for innovation.

5. Shifting population patterns suggest continued growth for Kentucky, but at a lower rate than in many Sunbelt states. There will be a higher percentage of poor elderly persons than other states have. "We will need to improve opportunities for the aged, the disabled, and those who are unable to care for themselves," the report continued.

It also asserted that real growth in Kentucky will remain a dream unless aggressive steps are taken to maximize the potential of our people. "Substantive growth and development comes from concrete investments in human capital," it said.

The 1987 Shakertown Roundtable Conference, composed of 87 distinguished citizens, issued a report that contained seven recommendations for enhancing the future of Kentucky.

These were:

1. Adequate funding for education. Steps should be taken to see that political structures and fiscal inequities do not prevent quality educational services from being provided to all Kentucky children. A process needs to be developed to encourage outstanding performance from schools and teachers and to encourage innovation at the local level.

2. Establishment of programs to encourage existing Kentucky businesses to grow and the commencement of new businesses.

3. Special attention to the needs of the 30 percent of Kentucky children who live below the poverty level. Pre-school programs and child care should be available to all children, along with adequate prenatal care for expectant mothers and health care for all children, the conference concluded.

4. The strengthening of county and local government, through consolidation of services among two or more counties where appropriate, new legislation to make city-county consolidation more effective, new revenue options for cities and counties, and amendment of the Constitution to facilitate city-county merger and the merger of counties, and an amendment to reduce the number of elected county officials.

5. The strengthening of Kentucky's election laws and vigorous enforcement of them. Public funding of campaigns for statewide offices was urged, along with additional efforts to increase voter participation.

6. Carrying out of the recommendations of the Commission on Constitutional Review, which recommended a wide-ranging overhaul of the Kentucky Constitution.

7. Establishment of a permanent independent institution to conduct research, identify problems and potential solutions, publish and broadcast results, and encourage citizen concern and involvement.

Project 21 of the Kentucky Chamber of Commerce has published two "white papers" designed to point the way toward preparing Kentucky for the next century. Two more such papers will be issued later. Project

21, rather than launching another study, decided to synthesize previous studies, including those done by Kentucky 21, the Shakertown Roundtable, and the Prichard Committee for Academic Excellence. So, the Project 21 Board concluded, the project would be "an action plan that summarizes Kentucky's biggest problems and systematically sets about solving them." It would identify assets and attempt to explain how to capitalize on them.

Project 21 thus focused on the following 12 priorities:

1. Continue recent momentum in educational improvement, with an emphasis on pre-school programs that break the cycle of low educational attainment.
2. Enact full funding for the higher education appropriation formula.
3. Reduce the number of statewide elected officials to four -- governor, lieutenant governor, auditor, and attorney general, and allow these officers to serve two consecutive terms.
4. Create an office of strategic planning.
5. Significantly increase available capital for small business and expanding industries.
6. Offer incentives and remove barriers for consolidation of services and mergers among cities and counties.
7. Increase tourism advertising and promotion.
8. Expand literacy and GED programs for adults.
9. Better coordinate all adult vocational skill training programs.
10. Improve the system of assigning road priorities.
11. Provide a less political process for the selection of judges.
12. Strengthen Kentucky's revenue base to fund our basic education,

infrastructure, and development needs.

All three studies agree on the need for long-range planning in Kentucky, although they vary somewhat in their prescriptions for obtaining it.

The Project 21 report recommends creation of an office of strategic planning. It suggests that this office be structured similar to the Council on Higher Education and serve similar functions. The office would have an advisory board of citizens from all congressional districts, appointed by the governor, confirmed by the Senate, and serving staggered terms so that no governor would appoint a majority of the board. This office could research and develop long-range economic development policy by examining success stories and innovative legislation in other states. It also could develop long-range environmental policy.

The Shakertown report suggests establishment of a permanent independent institution to conduct research, identify problems and potential solutions, and encourage citizens' concern and involvement.

The Kentucky Tomorrow report suggests development of a comprehensive state plan, using staff from all cabinets and agencies, and with input from citizens and private organizations. The plan would be subject to approval by the General Assembly, and would attempt to provide an overall vision for the state, "with specific strategies designated for implementation."

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