



OKLAHOMA ACADEMY FOR STATE GOALS

**Oklahoma's Future:
Strategy and Policy Options
for the Year 2005**

1987 CONFERENCE

**Final Key Recommendations
February, 1988**

Oklahoma Academy for State Goals

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Mission Statement

The people of Oklahoma have become increasingly concerned about the direction of the state, its institutions and its economic climate. *Moreover*, the people desire a greater voice in controlling their destinies. *However*, no statewide organization currently exists through which thoughtful analysis can be provided to effectively guide the future direction of the state and the development of its resources.

Thus, the mission of the Oklahoma Academy for State Goals is to create a broad-based, statewide organization dedicated to developing information upon which a consensus on programs and policies can be built in order to develop our state's human and natural resources to their fullest potential.

In carrying out its mission, the Academy will focus on the following objectives:

- To identify areas of need and problems facing the state and its people.
- To sponsor and conduct research on subjects selected in order to develop accurate information and to state policy options and alternative solutions. (An important part of the research function will be to act as a clearinghouse for existing and future research in the state in order to avoid waste and duplication in research efforts).
- To develop consensus on policies and programs designed to meet the needs of the people and the state.
- To develop long-range goals, a strategic plan and agendas for action including priorities to accomplish the Academy's mission.
- To ensure that the people of Oklahoma are informed of Academy goals, plans, and agenda.

Oklahoma Academy for State Goals

1987 Conference

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Preface

The 1987 Conference of the Oklahoma Academy for State Goals represented another major step forward for the Academy and Oklahoma citizens. The conference titled "Oklahoma's Future: Strategy and Policy Options for the Year 2005" featured the results of a comprehensive study prepared by the Hudson Institute, one of the nation's foremost research organizations.

The study, which embraced the most important areas of economy and human capital development in Oklahoma, was the most extensive study of its kind ever conducted in the state. The study put Oklahoma in the context of worldwide economic trends and laid out alternative scenarios for Oklahoma's future based on possible future trends and what we can do to influence our destinies.

Attendance at the 1987 Conference established a new record of almost 500 people and attested to the quality of the study and the recognition of the importance of the Academy and its mission. Participants at the conference came from all sections of the state and virtually all segments of our economy and society. A variety of views were presented, but we were able to reach clear consensus on most issues of importance.

This report contains the final recommendations of the Academy as well as those of the Hudson Institute. The Academy's recommendations represent the final action of the Academy based upon the consensus process. We believe that these recommendations represent the views of Oklahoma's leaders. Hudson's recommendations were the product of its experience and data base, but were also the product of a wealth of information obtained from previous studies about Oklahoma and over 1000 man-hours spent by Hudson representatives in the state. The final key recommendations from the Academy differ in some material aspects from those of the Hudson Institute. Even where the Academy's recommendations differ from Hudson's recommendations, their views should not be taken lightly.

In the final analysis, the success of the Academy must be judged not only by the quality of its research, ideas, and recommendations, but by actions and results which improve the economy and quality of life for Oklahomans. We strongly believe that this year's recommendations form the basis for significant actions to move Oklahoma forward.

The outstanding results of the 1987 Academy Conference were the result of the contributions of many people. We are particularly indebted to the principal speakers Thomas Bell, former president of the Hudson Institute, Lamar Alexander, former governor of Tennessee, Senator David Boren, and the Oklahoma leaders who comprised the discussion panels. We are indebted to Governor Henry Bellmon, the Oklahoma Legislature, and the corporations and foundations which provided the principal funding for the Hudson study. We are also indebted to Julie Copatser, Executive Director, for her special efforts in connection with the conference.

Please read the report carefully. Feel free to copy it and share it with others, and most importantly, do what you can with everyone you know and every group to which you belong to translate these recommendations into concrete action for the betterment of Oklahoma.

Dr. Richard W. Poole
Conference Chair

OKLAHOMA ACADEMY FOR STATE GOALS KEY RECOMMENDATIONS 1987

A. Government Reform

1. **Oklahoma's state and local government must be, and must appear to be, honest and efficient.**

Recommended Actions:

- Make the Ethics Commission as independent of the legislative and executive branches as it is of the judicial branch.
- Although high standards must be maintained by members on the Ethics Commission, the standards should not be so unrealistic as to disqualify highly ethical private citizens.
- Current funding of the Ethics Commission is clearly inadequate. Increases in funding from guaranteed sources will be required in order for it to perform its mission.
- The Ethics Commission must be able to appoint its own Executive Director.

2. **The governor must be the chief executive in fact, as well as in name.** Oklahoma laws and the Oklahoma constitution should be altered to give the governor a measure of authority that is commensurate with his responsibilities.

Recommended Actions:

- Make the governor and the lieutenant governor members of the same team through joint nominations and elections for these offices.
- Shorten the ballot. Give the governor authority to appoint all executive branch heads (except for the attorney general, state auditor and inspector, who should be elected) with the most important appointments subject to senate confirmation.
- Reduce the number of constitutionally independent boards and commissions to two—the Ethics Commission, in order to enhance that entity's total objectivity; and the Oklahoma State Regents for Higher Education and appropriate governing boards, to preserve academic freedom in the state's institutions of higher learning. An effort should be made to reduce the other commissions by consolidation or elimination, and made

directly accountable to the governor through the normal chain of command in the executive branch, recognizing those that are self-funded and market oriented as being worthy of study for retention.

- Make the Cabinet System work. Revitalize the cabinet system. Change from a negative or status quo factor to a positive legislative force.
3. **Basic constitutional reform is necessary**, both to implement the above recommendations, and more generally to establish a sounder base for good government.

Recommended Actions:

- Immediately create a Constitutional Study Commission to study the question of constitutional reforms and to make recommendations for a new constitution or major revisions in the present constitution as needed.
- The Constitutional Study Commission should have an adequate budget for a period of at least two years to pay for staff, space, and other expenses. The commission staff would be headed by a full-time executive director chosen by the commission, who should be a recognized expert on state constitutions and who might or might not be an Oklahoman.
- Mount an energetic campaign to educate the public concerning the merits of the commission's efforts in order to build a consensus.

B. Common Education

1. **Major structural reform (not incremental adjustment) is necessary to improve the overall quality of the common schools, and to raise the performance levels of poor schools and disadvantaged students.** Although the Academy believes that increased funding for education is necessary, we favor additional funding *only* in conjunction with a program of structural reform, and are unalterably opposed to simply "throwing more dollars at the problem." Excellence, reform, accountability, and innovation must be the

hallmarks of our approach to education, with adequate funding simply being an important tool to achieve them.

Recommended Actions:

- **OVERALL SPENDING** — Plan to increase education spending to bring Oklahoma to the upper third in the region in per pupil expenditures by 1990.
 - **STATE VS LOCAL TAXES** — Although common school funding is to a degree a state responsibility, the Academy's position is that local jurisdictions must increase their share of the burden of support for common schools. Key to this recommendation is the fact that state tax burdens are not low when compared to other states, but local taxes are low in such comparisons. Effective constitutional millage caps should be adjusted to allow local districts to provide greater support for education.
 - **AD VALOREM TAX REFORM** — Ad Valorem Tax Reform is absolutely critical to the question of providing the opportunity for adequate funding for common schools and indirectly to the question of adequate funding for higher education. Equity and fairness must be at the heart of all such reform. More specifically, uniform approaches to evaluations and uniform assessment ratios statewide will be necessary for the system to work.
 - **OTHER TAX SOURCES** — The Academy believes that in the long run Oklahoma must find tax sources other than, or at least in addition to, property taxes to support common schools. The Oklahoma legislature and the Academy might find it useful to undertake a joint long-range study to identify such sources, including the establishment of trust funds for educational purposes.
- 2. Organization of the education system must facilitate education reform by providing increased standards, incentives for better performance, and a wider choice of educational opportunities for families and educators.**
- Recognizing that the practical application of any improvements in common education in Oklahoma rests with over 3,000 elected members of the over 600 local school boards of education, the Academy recommends that educational criteria be included for the eligibility of all candidates for election to local school boards. At the very minimum, candidates for election to local school boards should provide to the county election board evidence of having completed a high school diploma or its equivalent (G.E.D.) prior to filing for office.
 - **SUPERINTENDENT** — Make the post of the Superintendent of Public Instruction a gubernatorial appointment subject to Senate confirmation.
 - **CORE CURRICULUM** — Refine and sharply focus Oklahoma's statewide core curriculum. Require demonstrated mastery of the core curriculum as a condition of graduation (and earning a high school diploma.) The core curriculum should include the knowledge and skills necessary to function in the emerging post-industrial economy of the rest of the century and the next. This includes the ability to read, write, and compute, and to think critically—to know Oklahoma and U.S. history and institutions, to be familiar with emerging technologies (including the use of computers) and such other material as the State Superintendent deems necessary and appropriate.
 - **INNOVATIVE SCHOOL ORGANIZATION** — Provide state incentives for non-traditional organization which fit the needs of the community on an experimental basis.
 - **LOCAL CONTROL** — Local schools and districts should be free to design courses and instruction, as long as the schools and districts meet the core curriculum requirements. Local schools should have the financial resources and flexibility to tailor additional offerings to satisfy the interests and needs of their communities.
 - **DECENTRALIZATION** — A long-term objective should be to set all schools in Oklahoma on a path of managerial and pedagogical decentralization. Autonomy should be conferred on the school building and its staff; the existing "top down" management strategy of central district command and control should be discontinued. Central offices should become "service centers" while individual schools should have the freedom and responsibility to meet state objectives according to their best lights.
 - **CHOICE AND DIVERSITY** — No longer is there "one best system" to educate Oklahoma youngsters. Teachers, students, and families have different interests, capabilities, and strengths—they should be able to capitalize on those differences, so long as the core curriculum is maintained. Magnet schools, open enrollment options, alternative schools, and choice among existing schools are all devices cited by the NGA and CED as ways to increase "consumer sovereignty" in education. Oklahoma should take positive steps to make this a reality.

- **PERFORMANCE MEASURES** — Statewide competency testing should be instituted to ensure that the curriculum is being mastered and to force curricular “alignment”, in which what is taught is also tested. (These tests are not to be confused with national, norm-referenced tests which are “curriculum” or “content free.”) The tests should be used for promotion, retention, and eventual award of the diploma, as well as to measure aggregate student progress.
- **HIGH SCHOOL DIPLOMA** — An academic diploma should be awarded by the State of Oklahoma on the basis of demonstrated academic accomplishment, not time served in class, and students should be eligible to earn one as early as age 16 (later if necessary). A free public education should be available to any Oklahoman who wants a high school diploma, regardless of age. In addition, an “honors” or “governor’s” diploma should be awarded to reward and stimulate special accomplishment.
- **STATEWIDE ASSESSMENT** — Oklahoma should initiate an improved, reliable and useful statewide assessment program. The purpose of the assessment is to gain information on Oklahoma’s educational progress as well as to permit comparisons with other states. Such an assessment should be designed to facilitate comparisons and to draw inferences about success and failure, and should be used as a prod to achieve higher levels of performance.
- Such an assessment should include school and district characteristics—per pupil expenditures, SES, student teacher ratios and the like—as well as longitudinal or time series data to prevent “high scoring” schools and school districts from resting on their laurels. They should be held to progressively higher levels of accomplishment over time.
- **PUBLICIZING TEST RESULTS** — Oklahoma should report its assessment findings to the public at large on an annual basis in the form of a “state of the schools” message. The report should be in straight-forward English, not education jargon. The report should contain information pertaining to every district (and every school within a district) by a set of statewide standards, including state test scores, nationally normed tests such as the MAT, as well as behavioral indicators such as absenteeism and truancy.
- **MANAGEMENT BY EXCEPTION** — Schools and school districts in the top 20 percent of academic achievement in Oklahoma

should be “deregulated” and permitted to escape prescriptive state law and regulation (other than the core curriculum and health and safety requirements) to organize, manage and operate themselves as they think best (still subject to statewide testing.) On a selective basis, other schools that show special promise or evidence that they would benefit from “deregulation” could be deregulated by state board action for a specified time period.

- **EDUCATIONAL BANKRUPTCY** — Implement an educational “bankruptcy” program similar to the one recommended by the National Governors Association.
 - **PARTICIPATION IN EXTRACURRICULAR ACTIVITIES** — Schools should not permit students to engage in extracurricular activities unless a “C” average is maintained and all subjects are passed. The school’s first order of business is to impart knowledge and build character; extracurriculars are an “earned” privilege, not a substitute for academic performance.
- 3. Special steps must be taken to reduce the educational disadvantage of children at risk of school failure.**

Recommended Actions:

- **LOW PERFORMING SCHOOLS AND DISTRICTS** — Districts with histories of low academic performance, many of which have high disadvantaged pupil concentrations, should be provided with planning and implementation grants to permit them to develop more effective programs and forestall the prospect of academic bankruptcy.
Implement programs to deal with school for drop-outs by providing alternative schools for drop-outs and potential drop-outs and include programs for special situations.
- 4. Oklahoma must use modern educational technology as a cost-effective instrument for raising educational standards, and as a base for the state’s potential educational technology industry.**

Recommended Actions:

- Oklahoma should resolve to become a national leader in the application of educational technology in public education, including educational television, computer assisted teaching/learning, interactive video disks, and interactive CD-ROM (Compact Disk-Read Only Memory).
- The state should produce a carefully constructed plan to improve the quality of education in Oklahoma through the use of

educational technology. The plan should be drawn up to address all of the technological, human, financial, and other issues that such an initiative would encounter.

5. **Preschool should be regarded as a component of education and the state should provide some incentives.**

C. Higher Education

1. **Having provided broad access to higher education, Oklahoma must now improve its quality, to educate skilled, yet flexible workers who can adapt to the future jobs market, prepare a broad range of middle-level managers and entrepreneurs, develop future leaders in specialized fields, and eventually help develop high-technology activities. Our recommendations are consistent with those of the Tolbert report.**

Recommended Actions:

- For the two state comprehensive universities, require a minimum ACT score for entry; eliminate remedial course work; develop graduate programs of top quality in fields where critical mass already exists or can be reasonably achieved.
 - For the state senior colleges, require for admission achievement of reasonable standards in basic subjects, as reflected in uniform tests; develop undergraduate programs with a view to achieving high statewide standards; review and consider modification or elimination of master's level programs so as to complement those at other institutions; and refrain from establishing doctoral programs.
 - For the two-year colleges, continue to provide remedial courses, but without credit toward degrees; develop curricula to prepare better students for transfer to four-year universities, including OU and OSU.
2. **Tuition Increases: Over time, tuition should be increased so that student tuitions represent 30 percent of higher education instructional costs.** It is recognized that with higher tuition comes a greater need to improve student loans and scholarships for those unable to bear the full increased instructional costs of education.
 3. **Chairs: We recommend the appropriation of not less than \$25 million to endow chairs at the state's comprehensive universities and four year colleges.** Chairs would be created on a matching funds basis, matching outside contributions on a one-to-one basis with a three to five year period available to the institutions to raise the necessary matching funds.
 4. **Faculty Salaries: Faculty salaries should be**

increased by 1990 to not less than the upper third of the State Regents' designated Regional Comparative Group (the Big Eight universities minus OU and OSU, the Big Ten universities plus the University of Texas and Texas A&M.)

5. **Attention should be given to coordination of the use of all educational resources (public and independent) to develop a more effective and efficient delivery system to serve the educational needs of the people of Oklahoma.**
6. **The Academy encourages efforts to continue to review and consider implementing those recommendations included in the Tolbert report.**

D. Economic Development Policies and Institutions

1. **Oklahoma's first and most important economic development task is to ensure that fundamental government services are provided adequately, efficiently, and effectively throughout the state.** Without this sound foundation of basic government services, no higher level economic development activity can succeed but the lack of such services will impede economic growth.

Recommended Actions:

- Emphasize education expenditures that can improve the state's human capital resources.
 - Evaluate the adequacy of other government services from an economic development perspective.
 - Develop an effective capital budgeting mechanism for state government that is based on thoughtful, well-integrated economic development and infrastructure investment planning programs.
2. **Steps must be taken to improve chances for the success of Oklahoma Futures.** It should be a forum in which representatives of organizations from the public and private sector, including the business, agriculture, finance, universities, labor, and the state executive and legislative branches come together to coordinate short- and long-term strategic economic analyses, planning, action, and performance policies. The purpose is to enable all sectors to organize and mobilize their resources for achievement of common goals.

Recommended Actions:

- Make Oklahoma Futures an independent, quasi-governmental entity, with independent financial and staff resources, and remove it from the Department of Commerce.
3. **Oklahoma has made important strides in its efforts to develop active economic development**

programs. A short-term action plan to guide the implementation of these programs should be created. The plan should seek to eliminate institutional barriers to economic development and seek to create an economic development network.

Recommended Actions:

- For the Oklahoma Department of Commerce and the Department of Agriculture and other bodies having interest in related areas: create regional offices to act as liaisons between communities and state-level entities and a new community development division; develop self-help materials for communities; provide local/regional economic data and analysis; develop internal training materials and conduct inservice training on new economic development initiatives; create a group of specialized financial analysts to work with clients and offer them incentive packages; and develop a computer-based expert system to be used for internal training as well as client contact.
- For the communities around the state: economic development for rural areas should be a priority for the Department of Commerce and the Department of Agriculture and other bodies having interest in related areas; when appropriate, create a local development planning process; obtain training for local officials in economic development techniques and programs; when appropriate, hire a full-time economic developer; create informational and promotional materials for the area; avoid duplication with existing programs and promote coordination and cooperation among those agencies.
- For the university system: establish formal economic development training programs, high-quality centers for entrepreneurial and small-business training, local economic information systems, and regional economic research programs; expand OSU cooperative extension programs to assist in the team efforts to enhance rural economic development.
- For the Department of Commerce, the Development Finance Authority, the Department of Agriculture, or other bodies having interest in related areas: develop explanatory and promotional materials for new programs and conduct outreach training seminars for local officials, bankers, investors, and business people. These programs should, in particular, reach the rural communities in the state.

E. Agricultural and Rural Development Strategies

1. **The Academy clearly recognizes that agriculture and agribusiness are extremely important parts of Oklahoma's economy and will continue to be so for a long time. Granting that demand and prices for agricultural products are not within the control of any state and probably not within the control of any nation, these facts do not mean that agriculture is unimportant or that farmers or rural areas should be abandoned.** The state should be firmly committed to assisting agriculture, agribusiness, and the rural areas of the state in as many ways as possible.

Recommended Actions:

- Agricultural diversification (beyond wheat and beef) must be a major priority to be pursued. Additional state resources must be committed to agricultural research, to conferences, seminars, and other educational activities to aid in this effort.
- The development of significant additional food processing plants must be a high priority for the state. Government, education, business, and agriculture must cooperate to find opportunities in food processing, including start-up businesses and attracting industries to the state. Impediments and obstacles to the development of such businesses should be one of the "target industries" in any economic strategy established by Oklahoma Futures. As an adjunct to this approach, Oklahoma State University and extension and adult education programs should place greater emphasis on the development of marketing skills for agricultural products.
- The state in general and Oklahoma State University in particular must continue to assist Oklahoma's currently important agricultural industries to achieve more efficient production, as well as value added processing and marketing of 'Oklahoma Lean' beef can be an important element in this area.
- Economic development for rural areas must be an extremely high priority for the Department of Commerce. Such a priority also requires that rural area economic development be stressed as an important component of the five-year strategic planning process by Oklahoma Futures. This priority also requires placing significant emphasis on regional offices and staffing by the department.
- The Department of Commerce and other

agencies charged with economic development and capital funding responsibilities should be charged with the responsibility of developing ways to make capital more accessible for economic development in rural areas of the state. These efforts should include, but not be limited to, making information available regarding potential capital sources and funding techniques through computer networks, technical training and conferences and seminars in rural areas.

F. Community Infrastructure and Development Strategies.

- 1. The projected shortfall in the infrastructure needs of the state between now and the year 2000 exceeds \$16 billion.** This problem must be addressed more systematically and aggressively than at any other time in the past. Economic development begins at the community level and we must prepare our communities for economic development by finding ways to fund future infrastructure needs.

Recommended Actions:

- Oklahoma needs more balanced and stable state and local revenue sources. Local communities need more financial tools available for this purpose which must be achieved through legislative tax reform or constitu-

tional amendment. These tools could include expansion of the state sales tax base to include a larger array of goods which would increase revenues available to cities and counties. Specific programs for additional revenue sources must necessarily be the subject of additional study.

- The 60 percent affirmative vote requirement for passage of certain debt issues should be changed to require no more than a simple majority vote.
- Laws should be revised to permit the establishment of local assessment districts for economic development.
- Formal programs and linkage should be established to provide training to community leaders in the areas of general and financial planning, financial analysis, and technical training. This linkage should include a representative at the state level who can act as an advocate on behalf of communities to state executive and legislative leaders.
- Since confidence in government officials at both the state and local levels is essential in order to pass long-range infrastructure projects, recommendations elsewhere in this report concerning the State Ethics Commission and other governmental reforms are recognized as being critical to community infrastructure and development strategies.

HUDSON INSTITUTE

KEY RECOMMENDATIONS

A. Government Reform

1. **Oklahoma's state and local government must be, and must appear to be, honest and efficient.**

Recommended Actions:

- Make the Ethics Commission as independent of the legislative and executive branches as it is of the judicial branch.
 - Choose members of the Ethics Commission in the same way as members of the judiciary are chosen. The commission should appoint its own executive director.
 - Earmark the funding of the Ethics Commission.
2. **The governor must be the chief executive in fact as well as in name.** Oklahoma laws and the Oklahoma constitution should be altered to give the governor a measure of authority that is commensurate with his responsibilities.

Recommended Actions:

- Make the governor and the lieutenant governor members of the same team through joint nominations and elections for these offices.
 - Shorten the ballot. Give the governor authority to appoint all executive branch heads (except for the state auditor, who should be elected), with the most important appointments subject to legislative confirmation.
 - Reduce the number of independent boards and commissions to two—the Ethics Commission, in order to maintain that entity's total objectivity; and the Board of Higher Regents, to preserve academic freedom in the state's institutions of higher learning. The other commissions should be consolidated or eliminated, and made directly accountable to the governor through the normal chain of command in the executive branch.
 - Revitalize the cabinet system. Change from a negative or status quo factor to a positive legislative force.
3. **Basic constitutional reform is necessary, to**

establish a sounder base for good government.

Recommended Actions:

- Immediately create a Constitutional Commission, which would consist of 11 members, including the Chief Justice of the Oklahoma Supreme Court (president of the commission), the Speaker of the House of Representatives, the President Pro Tem of the senate, the Governor, both U.S. Senators from Oklahoma, two eminent constitutional scholars from outside Oklahoma, and three eminent Oklahomans from the private sector, all to be selected by the same method as employed in selecting judges for the Oklahoma Supreme Court.
- Charge the Constitutional Commission with drafting a new Oklahoma constitution which would be presented no later than May 31, 1990, to both houses of the Oklahoma legislature for a straight "yea or nay" vote on whether it should be submitted to the people in November 1990.
- Appropriate a budget for the constitutional commission of \$2.5 million per year for two years to pay for staff, space, and other expenses. The commission staff would be headed by a full-time executive director chosen by the commission, who should be a recognized expert on state constitutions and who might or might not be an Oklahoman.
- Mount an energetic campaign to educate the public concerning the merits of the commission's efforts in order to build a consensus.

B. Common Education

1. **Major structural reform (not incremental adjustment) is necessary to improve the overall quality of the common schools, and to raise the performance levels of poor schools and disadvantaged minorities.**

Recommended Actions:

- STATEWIDE TAXES — Rely on statewide

taxes to support the *core* of education.

- **LOCAL TAXES** — Permit local communities to augment state funding with revenues from local taxes for supplementation and augmentation of the basic core.
- **OVERALL SPENDING** — Plan to increase education spending to bring Oklahoma to first in the region in per capita expenditures by 1990.

2. Increase educational standards, incentives, and choices.

- **SUPERINTENDENT** — Make the post of Superintendent of Public Instruction a gubernatorial appointment subject to Senate confirmation.
- **SCHOOL CONSOLIDATION** — Organize an analysis of the cost effectiveness, quality and student performance in small school districts to determine whether consolidation is desirable. We make this recommendation with the full knowledge that school consolidation should never be undertaken for its own sake.
- **CORE CURRICULUM** — Refine and sharply focus Oklahoma's statewide core curriculum. Require demonstrated mastery of the core curriculum as a condition of graduation. The core curriculum should include the knowledge and skills necessary to function in the emerging post-industrial economy of the rest of the century and the next. This includes the ability to read, write and compute, and to think critically—to draw informed inferences and conclusions, for example—to know Oklahoma and US history and institutions, to be familiar with emerging technologies (including the use of computers) and such other material as the State Superintendent deems necessary and appropriate. The core curriculum should be sharply focused and should be a genuine "core." It should identify the academic minimum for a state diploma while leaving local schools the opportunity to supplement and augment.
- **VOCATIONAL EDUCATION** — Offer vocational education only after demonstration of satisfactory academic accomplishment as measured by state examination. Thereafter, vocational courses for credit must be job related and pass a "market test:" vocational courses that lead to employment may be offered subject to state evaluation and verification.
- Place responsibility for vocational education under the Superintendent, and adopt the Oklahoma Higher Education Task Force's recommendation that vocational/technical

centers be responsible for all non-degree programs with specific job orientations.

- **INNOVATIVE SCHOOL ORGANIZATION** — Provide state incentives for local districts that initiate year around schools, 5-day school weeks, alternative schools and other forms of non-traditional organization which fit the needs of the community.
- **LOCAL CONTROL** — Local control should be honored *only* insofar as it leads to satisfaction of the core curriculum requirements. To that extent, local schools and districts should be free to design courses and instruction. Local schools should have the financial resources and flexibility to tailor additional offerings to satisfy the interests and needs of their communities.
- **DECENTRALIZATION** — A long-term objective should be to set all schools in Oklahoma on a path of managerial and pedagogical decentralization. Autonomy should be conferred on the school building and its staff; the existing "top down" management strategy of central district command and control should be discontinued. Central offices should become "service centers" while individual schools should have the freedom and responsibility to meet state objectives according to their best lights.
- **CHOICE AND DIVERSITY** — No longer is there "one best system" to educate Oklahoma youngsters. Teachers, students, and families have different interests, capabilities, and strengths—they should be able to capitalize on those differences, so long as the core curriculum is maintained. Magnet schools, open enrollment options, alternative schools, and choice among existing schools are all devices cited by the NGA and CED as ways to increase "consumer sovereignty" in education. Oklahoma should take positive steps to make this a reality.
- **SCHOOL FINANCING** — The State of Oklahoma should assume the lion's share of financing the education of all students in elementary and secondary school at a level sufficient to permit each district in the state to meet the demands of the core curriculum. This will require a significant increase in state financial responsibility, but is consistent with the higher standards the state should mandate and is consistent with the recommendations on choice and magnet schools. State funds should follow students to whichever school they attend.
- **PERFORMANCE MEASURES** — Statewide competency testing should be instituted to

ensure that the curriculum is being mastered and to force curricular "alignment", in which what is taught is also tested. (These tests are not to be confused with national, norm-referenced tests which are "curriculum" or "content free.")

The tests should be used for promotion, retention, and eventual award of the diploma, as well as to measure aggregate student progress.

- **HIGH SCHOOL DIPLOMA** — An academic diploma should be awarded by the State of Oklahoma on the basis of demonstrated academic accomplishment, not time served in class, and students should be eligible to earn one as early as age 16 (later if necessary). A free public education should be available to any Oklahoman who wants a high school diploma, regardless of age. In addition, an "honors" or "governor's" diploma should be awarded to reward and stimulate special accomplishment.
- **STATEWIDE ASSESSMENT** — Oklahoma should initiate an improved, reliable and useful statewide assessment in association with the National Assessment of Education Progress, as recommended in the recent Alexander-James Report. (Named after its co-chairs, former Tennessee Governor Lamar Alexander and Tom James, immediate past president of the Spenser Foundation.)
- The purpose of the assessment is to gain information on Oklahoma's educational progress as well as to permit comparisons with other states. Such an assessment should be designed to facilitate comparisons and to draw inferences about success and failure, and should be used as a prod to achieve higher levels of performance.
- Such an assessment should include school and district characteristics—per pupil expenditures, SES, student teacher ratios and the like—as well as longitudinal or time series data to prevent "high scoring" schools and school districts from resting on their laurels. They should be held to progressively higher levels of accomplishment over time.
- **"BOX SCORES"** — Oklahoma should report its assessment findings to the public at large on an annual basis in the form of a "State of the Schools" message. The format should be "box scores," a report in straightforward English, not education jargon. The report should assess, rate and rank every district (and every school within a district) according to a set of statewide standards, including state test scores, nationally normed tests such as the MAT, as well as such behavioral indicators as

absenteeism and truancy.

- **MANAGEMENT BY EXCEPTION** — Schools and school districts in the top 20 percent of academic achievement in Oklahoma should be "deregulated" and permitted to escape prescriptive state law and regulation (other than the core curriculum and health and safety requirements) to organize, manage and operate themselves as they think best (still subject to statewide testing.) On a selective basis, other schools that show special promise or evidence that they would benefit from "deregulation" could be deregulated by state board action for a specified time period.
 - **EDUCATIONAL BANKRUPTCY** — Implement an educational "bankruptcy" program similar to the one recommended by the National Governors Association.
 - **SERVICE** — Oklahoma students should be required to perform both school and community service as a condition of graduation. Students—and adults—learn by doing, and service to school and community is a powerful learning tool which builds character as it prepares youngsters for adulthood. The details of such service are appropriately worked out at the local level.
 - **NO PASS, NO PLAY** — Schools should not permit students to engage in extracurricular activities unless a "C" average is maintained. The school's first order of business is to impact knowledge and build character; extracurriculars are an "earned" privilege, not a substitute for academic performance.
- 3. Special steps must be taken to reduce the educational disadvantage of children at risk of school failure.**

Recommended Actions:

- **LOW PERFORMING SCHOOLS AND DISTRICTS** — Districts with histories of low academic performance, many of which have high minority concentrations, should be provided with planning and implementation grants to permit them to develop more effective programs and forestall the prospect of academic bankruptcy.
- Enact appropriate enabling legislation patterned after other states, or after legislation being developed by the Council of Chief State School Officers.
- Implement school-to-work transition programs, such as Jobs for America's Graduates, statewide for potential school dropouts, and provide alternative schools for dropouts and potential dropouts in any district where the dropout rate exceeds 15 percent.

- Make special in-school programs, including daycare centers, available to all pregnant adolescents and all adolescent parents.

4. Oklahoma must use modern educational technology as a cost-effective instrument for raising educational standards, and as a base for the state's potential educational technology industry.

Recommended Actions:

- Oklahoma should resolve to become a national leader in the application of educational technology in public education, including educational television, computer assisted teaching/learning, interactive video disks, and interactive CD-ROM.
- The state should use educational technology to improve the quality of education. The plan should be drawn up to address all of the technological, human, financial, and other issues that such an initiative would encounter.

C. Higher Education

1. Having provided broad access to higher education, Oklahoma must now improve its quality, the objective must be to train skilled, yet flexible workers who can adapt to the future jobs market, to prepare a broad range of middle-level managers and entrepreneurs, to develop future leaders in specialized fields, and eventually to help develop high-technology activities. Our recommendations are consistent with those of the Tolbert report.

Recommended Actions:

- For the major universities, require a minimum ACT score for entry; eventually eliminate remedial course work; develop graduate programs of top quality in certain fields; and raise faculty salaries on a selective basis.
 - For the state senior colleges: require for admission achievement of reasonable standards in basic subjects, as reflected in uniform tests; develop undergraduate programs with a view to achieving high statewide standards; review and cull master's level programs so as to complement those at OU and OSU; and refrain from establishing doctoral programs.
 - For the two-year colleges, continue to provide remedial courses, but without credit toward degrees; develop curricula to prepare better students for transfer to four-year universities, including OU and OSU.
- 2. FULL-COST PRICING** — Closing unnecessary or redundant public institutions of higher education is notoriously difficult. They achieve powerful constituencies and assume a life of their own.

The students as well as the institutions think they have a "right" to the public purse.

While subsidizing the higher education of Oklahomans is a worthy objective, the well-to-do student shouldn't be subsidized nor should institutions' instructional costs be subsidized. Over time, tuition should be sharply increased either on a means-tested basis (or generous scholarships should be made available) to move eventually to "full-cost pricing" of Oklahoma higher education. In this way any subsidy is applied where it is needed—the poor student—and institutions will be subject to "market testing:" those institutions that attract and hold students will be viable, those that do not will change or close. This approach rationalizes higher education, and removes the decision to close an institution from the political realm.

Since higher education eventually generates significant financial dividends it is appropriate for students to bear a larger share of the cost. Institutions in the public sector should face the same constraints as those in the private sector.

D. Economic Development Policies and Institutions

1. Oklahoma's first and most important economic development task is to ensure that fundamental government services are provided adequately, efficiently, and effectively throughout the state. Without this sound foundation of basic government services, no higher level economic development activity can succeed but the lack of such services will impede economic growth.

Recommended Actions:

- Emphasize education expenditures that can improve the state's human capital resources.
 - Evaluate the adequacy of other government services from an economic development perspective.
 - Develop an effective capital budgeting mechanism for state government that is based on thoughtful, well-integrated economic development and infrastructure investment planning programs.
- 2. Steps must be taken to improve chances for the success of Oklahoma Futures.** It should be a forum in which representatives of organizations from the public and private sector, including the business, agriculture, finance, universities, labor, and the state executive and legislative branches, come together to coordinate short- and long-term strategic economic analyses, planning, action, and performance policies. The purpose is to enable all sectors to organize and mobilize their resources for achievement of common goals.

Recommended Actions:

- Make Oklahoma Futures an independent, quasi-governmental entity, with independent financial and staff resources, and remove it from the Department of Commerce.
- Make membership in Oklahoma Futures *ex-officio* in more cases than it now is, to reduce vulnerability to charges of politicization.
- Expand membership of Oklahoma Futures, by merging it with that of the Economic Development Cabinet, as outlined in the Daniels report.

- 3. Oklahoma has made important strides in its efforts to develop active economic development programs. A short-term action plan to guide the implementation of these programs should be created.** The plan should seek to eliminate institutional barriers to economic development and seek to create an economic development network.

Recommended Actions:

- For the Oklahoma Department of Commerce: create regional offices to act as liaisons between communities and state-level entities and a new community development division; develop self-help materials for communities; provide local/regional economic data and analysis; develop internal training materials and conduct inservice training on new economic development initiatives; create a group of specialized financial analysts to work with clients and offer them incentive packages; and develop a computer-based expert system to be used for internal training as well as client contact.
- For the communities around the state: organize a Community Economic Development Committee; create a local development planning process; obtain training for local officials in economic development techniques and programs; hire a full-time economic developer; create informational and promotional materials for the area.
- For the university system: establish formal economic development training programs, high-quality centers for entrepreneurial and small-business training, local economic information systems, and regional economic research programs.
- For the Development Finance Authority: develop explanatory and promotional materials for new programs and conduct outreach training seminars for local officials, bankers, investors, and business people.

- 4. The key function of Oklahoma Futures is the creation of a long-term strategic plan and more importantly, a planning process that is broad in vision, based on sound analysis, and strategies to achieve attainable goals.**

Recommended Action:

- Begin immediately to design a planning process that would be subject to revision, and that seeks to:
 - a) produce a situation analysis which places Oklahoma in perspective in the context of the national and world economy;
 - b) create a vision of Oklahoma's potential—dynamic future by specifying a fairly detailed set of goals that provide a rallying point for the state, and acts as a collective focus for the activities of a variety of groups;
 - c) implement any strategies that are developed over the course of the plan.

- 5. Oklahoma should use modern computer technology to promote the state in a way that will enhance Oklahoma's image.**

Recommended Actions:

- Use the "expert systems" approach to create computer software containing the necessary information and knowledge to allow the user to inquire about his economic development problems and receive suggestions about incentive or assistance programs. This approach provides computer-based substitutes for scarce experts, while assimilating and employing the knowledge of the country's top experts.

E. Recommendations on Other Issues

- 1. Oklahoma needs a more balanced and stable state and local revenue system, that better achieves the goals of equity, diversity, equalization, accountability, comparability, responsiveness, growth, and economy.**

Recommended Actions:

- Expand the sales tax base to include a broad range of services.
- Channel a substantial part—at least 50 percent—of receipts from severance taxes into a trust fund, the proceeds from which would be used to expand expenditures on education. Given the likely instability of oil prices, this is both a prudent action, and one which would assure that Oklahoma's resource heritage is invested in its people.

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- Maintain a tax structure in approximate line with those of sister states, with whom Oklahoma competes for people, industry, business, and finance.
 - Cover the basic elements of education, health, and welfare expenditures from the state budget.
- 2. The potential of Oklahoma's youths must be**

maximized by addressing serious obstacles to success. The include the high rate of teenage pregnancy, lack of adequate prenatal care, poor pregnancy outcomes, teenage suicide, and drug and alcohol abuse.

Recommended Actions:

- Develop effective programs and provide funding for them.

Oklahoma Academy for State Goals Invitation to Membership

Thousands of Oklahomans are seriously concerned about the future of our state. Their concerns are both deep and pervasive. They relate to the economy and jobs, the quality of education, the strength of our institutions, and the quality of life. They are concerned about themselves, but most of all, about their children and future generations.

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