

LWVSFC Local Economic Development Study Background Paper
The Link Between Education and Local Economic Development
February 2017

Background Information

Education is frequently cited as a key component of local economic development: as a determining factor in the “quality of life” of the community; as the foundation of an educated workforce; and as the provider of skilled workers for specific job needs. We know that education is not within the direct jurisdiction of city or county government in New Mexico, but our research indicates a strong relationship between local education and economic development.

Education and Quality of Life

Education is one of the “quality of life” factors used to analyze a community’s strengths and weaknesses as a place to live and work. Santa Fe is blessed in that we have many positive quality of life factors such as natural beauty, outdoor activities, a good climate, clean air, cultural attractions, affordability and charm. But the fact that New Mexico in general, and Santa Fe specifically, have such low rankings in all things educational is a liability. Education Week’s “Quality Counts” released its annual state report card in January, and New Mexico earned a D. The state ranked 49th in the nation, ahead of Nevada and Mississippi. The Annie Casey Foundation’s “Kids Count” for 2016 ranked New Mexico 50th in education, one ahead of Mississippi. The NM Public Education Department gave the Santa Fe Public Schools a D on its 2016 report card. More than half of our individual schools received a D or F, while only three received an A. The online school rating website, “Great Schools”, gives the SFPS a score of 5 (out of 10).

The Well-educated Workforce

A well-educated workforce attracts businesses that pay their employees well; well-paid employees raise the standard of living; and a higher standard of living attracts more well-educated workers. That creates a dilemma for Santa Fe, where the unskilled workforce is often cited as the reason businesses struggle to find good employees and/or decide not to relocate here. Survey after survey of the local business community cite this as the biggest problem they face. In March, 2015 the City surveyed 684 business owners, who ranked “Need higher quality labor force” as number one on their list of “Barriers to Business”. They described having trouble finding workers with even the most basic of skills, let alone a good work ethic and customer service skills. Fair or not, communities that can offer a well-educated workforce, such as Boulder and Portland, have a real advantage over Santa Fe in terms of economic development. Counteracting this liability will take a major shift in our approach to education, which is something the business community can, and should, advocate for, but is probably not a goal that is practical to include in an economic development plan

Workforce Training

One strategy for encouraging economic development at the local level is to provide workforce training in specific skills to meet the needs of existing and emerging businesses. Santa Fe already has some experience using workforce training as an economic development tool. Santa

Fe Community College has begun offering certificate and degree programs that will prepare students to fill the growing workforce needs in health services, conservation technology, media design and production, and the hospitality industry. The Santa Fe Public Schools have also begun offering career pathways at the high school level to channel students into future jobs and careers. These are examples of workforce development strategies which, if undertaken as part of a collaborative economic development plan, might potentially be even more effective, and could qualify for additional resources from public and private funds already available to support workforce training and development.