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## Detroit 2.0: Is It Enough To Get Them To Stay?

For the first time, Detroiters are starting to figure out what the hell is going on. We know our future is in a smaller, more nimble model of Detroit. We know our future isn't exclusively guided by the Big Three. We know our 139 square miles of Detroit city proper commands more media attention than many countries. We know Woodward Avenue is being re-branded to WEBward Avenue, just in case anyone thought this region was holding onto our manufacturing nostalgia. We know GM and Chrysler are set to role out 2,000 high-tech engineering jobs the beginning of 2011. We know companies like New Jersey's GalaxE Solutions find the Detroit infrastructure so appealing, they bring 500 more high-tech jobs into the city. We know Texas movie production houses are complaining they are losing talent to Detroit.

So if all the prior is true, why does my inferiority complex still exist for Chicago, Pittsburgh, and Atlanta?

### **Better Education:**

By and large, our education system sort of sucks. We are not educating the majority of Michiganders to be able to compete in the infrastructure that our new Michigan businesses demand. Detroit philanthropist Alfred Taubman told me in an October 2010 interview that at the very core Michigan's public educational systems are extremely inefficient. Taubman said that there are currently 550 public school districts in the state. He said that perhaps having just five or six could serve the populace more adequately. This comes from someone who knows his way around a good business decision.

Taubman's view seems inline with what I see in my life. Consolidation makes things cheaper and leaner. I know from a sheerly capitalistic model that consolidated resources save a bundle. Why not take a significant savings (in the face of so many school systems on the brink of collapse) and use that bulk buying power to reduce the costs of a good education? The saving can help purchase more equipment, software, and relevant technology for Michigan's future residents -- and perhaps give students across

the board a better shot at mastering the tools to succeed in this newly developing economy.

The prior relates to the K-12 system. It is a sore point. People hold their public school systems close to their heart. Talking consolidation ruffles feathers -- and gets union boosters strutting their stuff. Talk to someone in Grosse Pointe and you will see what I mean. It seems the best school systems (who have outspoken parents) tend to believe they bear the most change in consolidation. Maybe we need to Google map zoom out from K-12 and see the full educational ecosystem. Tracking down this broader education line of reasoning, I stumbled upon a study conducted by Illinois State University's "Grapevine Project" which enunciates that Michigan holds the last spot in its investment toward higher education in 2009. Specifically the leading state (Nevada) had a 73 percent increase of funding toward higher education. The average state exhibited a 20 percent increase to higher education funding. Last but not least, (the only decrease in state funding to higher education in the country) Michigan ranked as -5.1 percent toward its higher education funding.

Not coincidentally, the prior wasn't the only study that ranked Michigan dead last. On August 23, 2010, The Chronicle of Higher Education referenced an independent study conducted by The Education Trust which illuminated the fact that, from 2006-2008, 9.5 percent of African American students at Wayne State University who started a program graduated (lowest percent in the country). In contrast, but still not a glowing statistic of merit, 43.5 percent of white students who began a field of study at Wayne State graduated.

So let's recap before I lose you: Michigan has a over-burdened, way too segmented public school system, which leads to a less prepared college student, who then enters a Michigan college (which are the least supported in the country) to become disillusioned with the system, and, eventually, a very significant percentage (up to 90.5 percent of African American students) drop out. Quitting their higher education quest leaves them, without any speakable education, in the worst unemployment market in the country, and in significant debt. Did I follow that right?

So, unfortunately, the conclusion to the prior is that it appears that Michigan is doing a large portion of residents in the state a disadvantage. And, by association, shooting itself in the foot for many decades to come.

So what about the good ones? The students who beat the odds, go through school, get good grades, don't become disillusioned, and eventually land a good job. Most of the time it appears that they leave.

Let's do an informal survey of my childhood posse growing up. We were all pretty on the ball. All now nearing our mid-30s:

Marek Krzyzowski, Ann Arbor Schools, UofM, Attorney, New York, NY.  
Mike Lockwood, Dearborn Schools, UofM, Director of Programing, Boston, MA.  
Jason Schmitt, Dearborn Schools, UofM, Professor--Oakland University, Rochester, MI.  
Troy Thompson, Dearborn Schools, UofM, Engineer--BMW, Spartanburg, SC.  
Jeff Viscomi, Dearborn Schools, UofM, Assistant United States Attorney, Atlanta, GA.  
Kevin Watts, Dearborn Schools, UofM, Attorney, Farmington Hills, MI.

Of my childhood group, it appears that the state, which educated all six of us, has been able to retain 33 percent. Not a very good average.

### **Retention:**

In November 2010, I had an opportunity to sit down with Dan Gilbert of Quicken Loans to talk about Michigan's future. Gilbert is aware of the concept of young people seeking thriving urban environments. Gilbert states:

The twenty- to thirty-something generation coming out of school traditionally wants a live, work, play urban environment. I think that has been proven by the fact that so many of our bright graduates have left. The great universities and great education that we have all paid for, for our students to have, has gone to Chicago, or Boston or New York. If we want to be competitive we need the urban core -- which is what the brains, who are going to build the next generation of wealth, want.

Gilbert has put his money where his mouth is, and along with Quicken Loans, Peter Karmanos's Compuware, Quizzle, Fathead, GalaxE Solutions and several yet to be disclosed companies, they have communitively agreed to spur the concept of Detroit's urban core: using the term WEBward Avenue. This corridor, which is attached to the entertainment district, is a start which will retain entrepreneurial, new technology, new wave, brain-based companies that are cutting edge and excited to grow. This core is already selling many new lofts to this new workforce/brainforce as the myths of Detroit living are dispelled.

Gilbert, speaking of the new development and recent successes states, "I think you can have an incredible area here that starts to be known nationally, and it doesn't have to take many years. I think within 18-24 months time this particular corridor is going to be very special."

Although I am putting my poker chips "all in" on this concept as I have physically seen the quick changes and the passion and excitement of many of the aforementioned companies -- that doesn't change the status quo of losing way too much talent just yet.

In Atlanta, there is a bar called the Firkin Lindbergh. Viscomi describes it as, "everything I miss about being in Ann Arbor." There are 200 Michigan football fans -- most of which were educated in Michigan, but could never find a job in their home state -- so the hooting and hollering maize and blue support has to take place in their Georgia-based satellite location. Digging deeper into this unique outpost of Michigan residents I learn that this phenomenon isn't a unique occurrence to Atlanta. They are in nearly all major cities. In New York City, a bar called Park Avenue Country Club had well over 1,000 Michigan football fans come out to support every game.

The moral of the story is that Michigan has, and continues to produce some great innovative minds perfectly suited to this new iPhone, Chevy Volt, 2.0 world, but most of these new leaders were educated and minted during a very different Michigan financial period. If we are going to continue to produce the brightest innovative thinkers, the idle for our educational engine needs to be adjusted -- it was set to run on 93 octane, but all we have is 87. It is also unfortunate that someone is benefiting from our Michigan

educated students -- that is not us. Time will tell where the future lies and how we rank at our newest attempts to retain our thinkers, but Gilbert sums up his optimism by saying: "you may want to keep an eye on Detroit, because you would hate to miss it in your own backyard."

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