



[Widening income gap partly due to NM's high illiteracy rate](http://washingtonindependent.com/view/widening-new-mexico)

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Illiteracy puts up hurdles to high paying jobs

By **[Marjorie Childress](http://washingtonindependent.com/person/14912-marjorie)** (<http://washingtonindependent.com/person/14912-marjorie>) 04/17/2008

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A **[report](http://www.cbpp.org/states/4-9-08sfp-fact-nm.pdf)** (<http://www.cbpp.org/states/4-9-08sfp-fact-nm.pdf>) released last week pointed to a widening income gap between the richest 20 percent of New Mexicans and the poorest 20 percent, finding that the most affluent earned eight times more than the poorest, up from 6.3 in the late 1990s.

Additionally, the gap between the richest 20 percent and the middle 20 percent has grown from 2.3 to 2.8 times the average income, the report from the Center on Budget and Policy Priorities and the Economic Policy Institute showed.

According to some, one explanation for the growing divide may be found in the state's shift to a knowledge-based economy, represented by the state's emphasis on developing the high-tech and film industries.

In a May 2007 **[commentary](http://www.nytimes.com/2007/05/17/business/17scene.html?ex=1337054400&en=f9d301d977378b71&ei=5090&partner=rssuserland&emc=rss)** (<http://www.nytimes.com/2007/05/17/business/17scene.html?ex=1337054400&en=f9d301d977378b71&ei=5090&partner=rssuserland&emc=rss>) in The New York Times, George Mason University economics professor Tyler Cowen addressed the connection between income inequality and education and drew upon a National Bureau of Economic Research study titled, "The Race between Education and Technology: The Evolution of U.S. Educational Wage Differentials, 1890 to 2005." He writes:

"Improvements in technology have raised the gains for those with enough skills to handle complex jobs. The resulting inequalities are bid back down only as more people receive more education and move up the wage ladder.

"Income distribution thus depends on the balance between technological progress and access to college and postgraduate study. The problem isn't so much capitalism as it is that American lower education does not prepare enough people to receive gains from American higher education."

In New Mexico, almost half of adult New Mexicans -- 46 percent -- are functionally illiterate, said Heather Heunermund, executive director of the New Mexico Coalition for Literacy.

This may illuminate the issue of why income inequality is rising during a period in which New Mexico seems to be successfully developing knowledge-based industries. Such a high rate of functional illiteracy dims the prospects of success for a wide swath of New Mexican workers in an economy that increasingly values knowledge-based labor, a dilemma that New Mexico Voices for Children identified in its 2005 **[report](#)**

<http://www.nmvoices.org/attachments/highroadeconomy.pdf>), “The Path to a High Road Economy: Investing in People, Creating Opportunity”.

The authors write:

“... A growing percentage of our workforce lacks the basic education and skills necessary for better jobs in a high road economy. It is critical to the state’s economic health for the immediate future, and for decades to come, that those currently in the workforce get more education and skills training. If they do not, the skills gap between what business needs to maintain high productivity and what the workforce can offer will continue to widen. The result will be that New Mexico will be less and less able to compete economically.”

People who want to lure businesses to New Mexico agree. Albuquerque Economic Development recently announced an **initiative** (<http://www.bizjournals.com/albuquerque/stories/2008/04/07/daily22.html>) that seeks to “... address the looming workforce shortage by helping connect New Mexico students and graduates who have left the state with job opportunities here.”

This initiative acknowledges that New Mexico’s increasingly knowledge-based economy needs a workforce with a higher skill set than currently exists within the state.

Voices for Children identified several policy proposals to address the problem, including significant increased state funding for adult basic education and literacy classes, while simultaneously investing in higher education.

In an email exchange, Heunermund said it was important to qualify Voices recommendation to tackle illiteracy by increasing literacy classes in the adult basic education system.

“In New Mexico, adult basic education works with adults who are performing at higher levels of literacy, but the roughly 46 percent of adults who are functionally illiterate are not served by this system through literacy classes and paid teachers,” Heunermund said in the e-mail.

Research shows one-to-one tutoring to be the most effective for these hardest-to-serve learners, Heunermund said, and the New Mexico Coalition for Literacy supports volunteer-based literacy programs that use such approaches with those who struggle with below-basic and basic levels of proficiency.

Heunermund said both first lady Barbara Richardson and Gov. Bill Richardson “have been supportive of literacy and education in New Mexico. ... In a span of five years, funding for the adult literacy initiative has increased almost 50 percent, thanks to both the first lady and the Legislature. Yet, the need is still great and more support is needed.”

Heunermund quoted former governor Garrey Carruthers, now dean of the New Mexico State University College of Business and whose wife Kathy founded the NMCL, from a 2005 Las Cruces Sun News article to reinforce that point.

“According to a recent report by the National Center for Public Policy and Higher Education, if current policies continue unchanged, the New Mexico workforce of 2020 is going to be less educated than today’s workforce, and as a result the state’s per capita income will not just stagnate; it will actually drop,” Carruthers said according to a 2005 article in the Las Cruces Sun News.

Carruthers continued: “If New Mexico does nothing more than it has so far to raise the education level of its residents, and particularly of its largest, fastest growing and least educated minority groups, it can expect to see a marked drop in coming years in the percentages of its workforce with associate’s, bachelor’s and professional degrees and declines, as a result, in the prosperity of its economy and the solidity of its tax base.”

“[Carruthers] concluded that New Mexicans are aware of educational disparities in their state but that it’s time to think about the statewide consequences if they fail to remove them,” Heunermund said. “Likewise, I say that higher levels of education cannot be attained without the foundation of literacy.”

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[johnny_mango \(http://washingtonindependent.com/person/15120-johnny_mango\)](http://washingtonindependent.com/person/15120-johnny_mango)

Posted 04/19/2008 06:06 with -NaN votes

Great post! But be wary of undefined terms like “functionally illiterate.” The education profession is full of hucksters who sound more like The Music Man than anything else. 46% sounds pretty high to be a truly accurate number.

[heathervinny \(http://washingtonindependent.com/person/15134-heathervinny\)](http://washingtonindependent.com/person/15134-heathervinny)

Posted 04/19/2008 15:33 with +1 vote

Hard to believe, but a fairly good estimate. Here you go, Sir: Figures for literacy levels are based on estimates using 1990 census data and results from the National Adult Literacy Survey reported in The State of Literacy in America (National Institute for Literacy, 1998).

<http://www.eric.ed.gov/ERICWebPortal/contentdelivery/serv...>

[http://www.eric.ed.gov/ERICWebPortal/contentdelivery/servlet/ERICServlet?accno=ED416407\)](http://www.eric.ed.gov/ERICWebPortal/contentdelivery/servlet/ERICServlet?accno=ED416407)

For a definition, description, and percentages for below basic and basic (functional illiteracy), see the 2003 NAAL: **http://nces.ed.gov/naal/kf_demographics.asp**

http://nces.ed.gov/naal/kf_demographics.asp

[ssmall \(http://washingtonindependent.com/person/15351-ssmall\)](http://washingtonindependent.com/person/15351-ssmall)

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I teach adult education courses at an educational institution. High school dropouts and high school graduates often sit side by side in my classroom learning how to form a sentence, divide multidigit numbers, or read a paragraph. New Mexico can do better. The illiteracy in our state is a problem for each of us. Schools, teachers, and tutors alone cannot solve the problem. What can you do?

[gerardbrad \(http://washingtonindependent.com/person/15365-gerardbrad\)](http://washingtonindependent.com/person/15365-gerardbrad)

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New Mexico Voices for Children released this report on inequality in New Mexico with the Economic Policy Institute and the Center on Budget and Policy Priorities in Washington. In discussing the report with the media, I attributed the high and increasing rate of inequality to the prevalence of low wage work in New Mexico. To say that low wage work and rising inequality are due to illiteracy or to other characteristics of low wage workers is to let low wage employers off the hook for grinding down their workers. If low wage workers in New Mexico were in unions, there would be higher wages and less inequality. Low wages are a question of power, and to blame low wage workers for their poverty and powerlessness is grossly unfair. Education is good in itself, and we should fund it adequately, but it will not solve the problem of low wage work – only organized workers will do that. It would be good to focus on unions as a solution to poverty and inequality on the run up to May Day, international workers day. – Gerard Bradley, Research Director, NM Voices for Children

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