

# Our Challenge Ahead

**Ronald P. Bernardi**, President

This past year was, in many ways, extraordinary. Continued economic growth. A rising stock market, low inflation, high productivity and employment. What forces are working to produce all of this prosperity and good news?

I believe education is the key. I further believe funding for education is the critical challenge that lies ahead for us all.

We currently find ourselves in the middle of an infectious cycle that began with a well-educated workforce. Economists have long known that a highly educated worker is better skilled and, therefore, more productive. In turn, higher productivity lowers production costs and inflation. Employed, productive workers have more disposable income to support the economy and help spur growth. Economic growth increases values in real estate, stocks and bonds.

In the years ahead we, as a nation, must strive to ensure that the next generation of workers is even better educated than today's workforce. Tomorrow's adults will face greater challenges than today's "baby boomers." They will need to learn more and learn faster because jobs in the future will require greater and greater technical skills.

In order to continue the cycle of prosperity, our challenge in the years ahead will be to provide financial support for the education of our children. This can be an excruciating challenge because much of the funding for education presently relies on funds derived from taxes on property. All too often local resistance exists because taxes are already "too high" or because people feel they no longer have an obligation to support the schools since their children are grown. An arbitrary revenue constraint (tax cap) is not the answer to maintaining low taxes. Good, responsible and efficient government ensures low taxes. In fact, I believe arbitrary tax constraints, such as a tax cap, will certainly create problems for our society in the long run. Potential economic problems caused because our future workforce would be less educated and therefore less prepared to help us compete in the global economy.

Education is the key to the success of our collective failures. I know the taxes we pay to fund education are significant but this sacrifice is necessary for our future prosperity. An educated society is the foundation for a prosperous society thereby making the taxes we pay for the education of the young our indispensable responsibility. The challenge, then, is to support our schools financially and to encourage our children to strive for the best. We cannot make a better investment for ourselves and our great country.