Beyond the Campus

Tracing how Indiana universities affect the state economy

IS.4.6 "Assess the economic impact of Indiana universities on the development of the state's economy."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline two university activities that could strengthen Indiana's economy, circle two limits or costs, and number three linked steps from a university activity to a wider economic result.

What Does a University Add?

1. On a farm near Lafayette, a grower may use advice from Purdue Extension to choose a crop practice or manage soil. Purdue University turns research into guidance that farmers can test in their own fields. If a practice raises yields or cuts waste, the farm may earn more or spend less. That money can support purchases from local suppliers, creating an indirect effect beyond the farm. Yet an idea that works in one field might fail in another, and a costly change may erase savings. Extension's economic value depends on whether farmers can use its advice profitably.

2. Indiana University School of Medicine trains physicians and medical researchers at campuses across the state. Hospitals and clinics need skilled workers, so this training can help them fill positions and serve patients. Workers employed in health care spend wages in nearby stores, while access to care can help people stay healthy enough to work. These effects can reach beyond the university itself. But not every graduate takes a job in Indiana, and a hospital cannot hire someone simply because that person earned a degree. The economic gain depends partly on local jobs and whether graduates remain in the state.

3. Universities also pay employees and buy supplies, bringing income to nearby businesses. Students spend money on food and housing, although some of that spending would occur elsewhere in Indiana if they attended another school in the state. Public universities use state funds, which could instead support other needs. To assess their impact, compare likely gains in jobs, business activity, and productivity with costs and benefits that would happen anyway. A successful program might increase statewide income over time, but gains may cluster near a campus or in places with employers ready to hire graduates. Spending alone is not proof of lasting growth.

2 ANSWER WITH EVIDENCE

Use the passage

1. How could Purdue Extension's advice affect both a farm and other local businesses? What could weaken that impact?

2. How could IU's medical training benefit Indiana's economy beyond filling a hospital job? What limits that benefit?

3. Why is spending by universities and their students not enough by itself to prove a net gain for Indiana?

4. A town without a university campus claims it cannot benefit from Indiana universities. Use two pieces of evidence to assess this claim.

3 YOUR TURN

Your own words

Imagine Indiana is considering state funding for a university program that helps small manufacturers test energy-saving machines and trains local workers. In 4 or 5 sentences, assess whether it is a good investment, including a direct economic effect, an indirect effect, one limit or cost, and your judgment.

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PART 1 · READ AND MARK

Underline two university activities that could strengthen Indiana's economy, circle two limits or costs, and number three linked steps from a university activity to a wider economic result. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How could Purdue Extension's advice affect both a farm and other local businesses? What could weaken that impact?	**Useful advice could raise a farm's yields or cut waste, leaving money for purchases from local suppliers. Results may vary by field, and a costly change could erase savings.**
2	How could IU's medical training benefit Indiana's economy beyond filling a hospital job? What limits that benefit?	**Health care workers spend wages at nearby stores, and access to care can help people remain healthy enough to work. Graduates may leave Indiana, and local jobs must be available.**
3	Why is spending by universities and their students not enough by itself to prove a net gain for Indiana?	**Some student spending would occur elsewhere in Indiana anyway. Universities also use state funds that could support other needs, so spending must be weighed against those costs.**
4	A town without a university campus claims it cannot benefit from Indiana universities. Use two pieces of evidence to assess this claim.	**The claim is too strong. Purdue Extension advice can help farms, and IU-trained physicians can work at hospitals and clinics beyond a campus, though benefits depend on local conditions.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A factory that uses the program could lower its energy costs and hire trained workers, directly improving its operations. Those workers might spend more at nearby stores, creating an indirect benefit. Some factories might never adopt the machines, and state funds spent here cannot support other needs. I would support a small pilot if the state measures whether new savings and jobs outweigh the cost.

Accept other evidence-based judgments in Part 3 if they distinguish a direct effect from an indirect effect and weigh a plausible limit or cost. For Question 4, students may also note that some benefits cluster near campuses.