

President Robert C. Dynes
Remarks at Coachella Valley Regional Outreach Visit
UC Riverside Palm Desert Graduate Center
January 17, 2008



Carolyn Stark, executive director of the UCR Palm Desert Graduate Center, President Dynes, UC Regent Phil Bugay and UCR Acting Chancellor Robert Grey.

[Following roll call of campus alumni groups:] The alumni of UC are really a family. And while there is pride in the individual campuses, there is real pride in the University of California. And I'm going to talk about the challenges we face. But first, I want to thank the folks of the City Council and all the folks in this room that have made this facility possible. It's really quite impressive, and it's entrepreneurial in the real sense of the word. It's UC reaching out in an entrepreneurial way and trying to affect our communities in California.

So I want to thank you for your support and your continued support. I'm sorry Dick Heckman's not here, but he had the best excuse in the world. Every time I'm in a faculty or student meeting, and the faculty or students say, "Well, I have to go to class," that's the best excuse in the world to leave. ... He's teaching right now, I think he's over at CSU, no, he's at UC. This is a unique place in the sense that there's a CSU and a UC really in the same block. And that's pretty impressive. We really do work in partnership with the CSU.

Let me talk about some bad news, then I'll come back to some positive aspects when I finish, and I'll leave some time so that if questions arise, please ask them. As you know, we're facing a pivotal year here in California, and the University of California is part of that serious issue. California's going through a deep budget problem. We have a \$14 billion deficit for the state of California. It will affect all of us, and it certainly will affect the University of California.

In his budget proposal last week, the Governor indicated that he would support UC and increase the funding following the "compact" that he and I negotiated almost four years ago. But then, like every other agency and organization in California that's funded by the General Fund, after the compact increase, it would be taken away again by 10 percent like [for] everybody else. Compared with the budget we had presented to the Regents and the Regents had passed in November, that's a \$400-million decrease. And that's not a small number. It's clearly a major concern for us.

In the last two days, at the Regents' meeting in Los Angeles, the cloud over our heads was the budget. I understand the problems that the state of California is facing, but let me be parochial and talk about California and the University of California. We are not an expenditure of California. We are an investment in California. The University of California is probably the best investment that California has ever made. We are an investment in a dynamic economy, and you know this here in Palm Desert, we're an investment in the workforce, in job creation, and in generations and generations of tax revenue for the state of California. It's a long-term investment. When times are tough, that's the time to invest in your most robust businesses, not a time to cut them back.

Now more than ever, we need to persuade Sacramento that it's time to surgically invest in the important parts of California. I'm arguing, and will continue to argue, that the University of California is perhaps the best investment the state of California can make. I'm willing to take questions and argue if you want. But understand that I'm a zealot on this issue.

In my four-and-a-half years as President, I've traveled around the world, and it's really quite interesting: When you travel in places like China and India and Europe, and even parts of the United States, they look on California as the place where everybody wants to be. And the University of California is the envy of the world. Let me give three good examples.

China is enthralled by the University of California. When they discovered that UC is a public university, they took the California Higher Education Master Plan and translated it into Mandarin. Not only did they do that, they identified which of the universities in China are research universities, which would be the equivalent of the CSU, and which would be the equivalent of the community colleges. They would like to copy us. And they have invested in the future of China. For example, the equivalent of the National Science Foundation has invested in [international] scholarships and fellowships. They give out every year typically 1,000 or so for the entire world. Harvard gets 10 set aside; Yale gets 10; my home country, Canada, gets 10. And the University of California has had an unlimited number, currently, about 250.

You can argue that that's a good thing or a bad thing. It's a good thing in the sense that China is investing their best and brightest people to come to California to study. And I can assure you that some of them will stay here, and they will create businesses for California. The bad thing, you could argue, is that some of them will go back and try to copy us.

India is a different story but the same story. India has a wonderful university system, the Indian Institutes of Technology, the IITs, where they recruit the best and brightest in this country of 1 billion. They have these undergraduate institutions, but they don't have any real form of research universities. And they're trying to copy the University of California, because they know that they don't have the educational infrastructure to fuel their economy, which is booming, as you well know. So they're sending their students to California.

You could argue that's a good thing or a bad thing. I'll argue it's a good thing. When you look at the start-up companies in Silicon Valley, the number one national group of people who have founded start-up companies is Indian, number two is Chinese, and number three is the rest of the world. Many of these Indians came here to get Ph.D.s at the University of California in engineering, physics, chemistry, they went to the Haas Business School or the Anderson Business School. They stayed here, and they continue to fuel the economy. It's just the entrepreneurial nature of what's going on here.

Finally, one last example: Just a week or two ago, the Governor of the State of New York, Eliot Spitzer, announced that he wants to endow a fund for their university system, called SUNY or the State University of New York, which has never reached expectations. He wants

to endow it so that it can reach and aspire to become like the University of California. I wish them all luck.

I wish India and China and New York luck to create something that looks like the University of California. I don't think they'll make it, because they don't have the kind of entrepreneurial spirit, the creative spirit, the pioneer spirit, that exists in California.

We face a different issue. We face the challenge of maintaining the excellence of this truly great university. We're under great stress, as I told you. And yet I see [opportunity] every day. For example, just a few months ago, the [California] Public Utilities Commission asked the University of California to submit a proposal to the PUC to create an umbrella institute that would put California in the lead in managing energy use and our environmental footprint.

UC pulled together a group of people made up of UC, CSU, the community colleges, Stanford, Caltech and USC, and pulled together a proposal for this institute that would be funded over the next 10 years, if the PUC approves it, at \$600 million. And this was led by the University of California. We have the best and brightest in the world, and our job is to maintain this.

As a last comment before we go to questions, we need your help. This is a tough time. Alumni and political heavies in this state have influence on the budget over the next 5 or 6 months. Those of you have the desire, I'll ask you to sign up and help us. There's a Website – this is a paid commercial – a Website called "UC For California." There are some cards being distributed with it listed. The next time you log in, or we have a couple of laptops in the back of the room, the next time you log in and you're on the Web, go to "UC For California." I'll ask you to do that in part because you care about this University. If you didn't, you wouldn't be here tonight, so I'm speaking to a captive audience.

This is a very critical time. Log in to "UC For California," and it'll show you how to send a note to your local representative, whomever she or he is. Give us some help here. I don't usually appeal quite so bluntly, but this University, the University of California, your university, right here in this building, is part of the finest university in the world. I argue that it's the engine that fuels the economy, health care and quality of life here in California. If we can invest in the future, we can continue to make this place, California, the place for our children, our grandchildren and our great-grandchildren, and the most exciting place in the world. Thank you.