

California Chamber of Commerce Board of Directors Meeting

March 11, 2005: Four Seasons Hotel, Beverly Hills

[Remarks as prepared for delivery]

Thank you for organizing this panel. It's a great honor to be with all of you, and to be on this panel with my colleagues from the other segments of public higher education.

I think one of the things that has made California the creative, dynamic, entrepreneurial place it is has been the system of public higher education we have. All of the segments make a vital contribution to our state's economic and social progress.

At the University of California, we have a three-part mission, and we describe it as research, education, and service. Now, let me say what this actually means, and how it applies to all of you. I describe it this way:

First, we *create new knowledge* – that's the research.

Second, we *create the next generation of creators*, through our teaching of undergraduate and graduate students.

And third, we *take the creations out for public benefit* – and that is an important part of the service component in a public research university in the 21st century.

Creating, alone, is not what we're all about.

To me, it's really about R, D, and D – research, development, and delivery.

We're not just here to do what I call "curiosity-driven" research (as much as I value curiosity and believe it is integral to the process of discovery).

We're here to help solve problems facing our economy and our society, through all of the facets of our mission.

I've spent a good deal of my first year-and-a-half in office traveling the state, visiting with Californians, and seeing, firsthand, examples of the impact UC has on California. And it's a very significant impact, felt in every corner of the state:

Our faculty and students produce an average of three new inventions every single day.

We run the nation's largest health sciences training program, educating 60% of the medical students in CA.

Our faculty and alumni have founded 1 in 4 of the biotechnology firms in California.

Our agricultural programs provide a huge amount of the technical expertise needed by California farmers.

And, probably the greatest impact of all, our students – who are at the heart of everything we do – our students go on to be leaders ... entrepreneurs ... creators ... in literally every field important to CA's economy and quality of life.

We know that we need to be working with industry in California to maximize our impact for the people of California. And we have been making very real efforts to do so:

One of our major initiatives at the University of California over the last seven years has been increasing our enrollments of engineering and computer science students by 50 percent to help meet industry workforce needs. We actually achieved that goal well ahead of schedule.

We have an Industry-University Cooperative Research Program that has engaged more than 350 companies in more than 600 research partnerships in core technology fields. These partnerships have involved more than 550 faculty and 1,300 UC students.

We have the California Institutes for Science and Innovation, which are a great example of public-private collaboration in cutting-edge fields of research we believe will help drive California's next wave of economic growth.

And, to maximize the human capital we contribute to California, we have been working hard to accommodate expanding undergraduate enrollments, provide a smooth transfer process for community college students, and provide a place at UC for hard-working students from all corners of the state and all walks of life.

But there is much more to do. California's needs are growing. Its population is diversifying. The overseas economic competition it faces is increasing. And your businesses need a constant flow of good people and good ideas.

The last few years have been tough for us – over the last 4 years, we've lost 15% of our state funding while our enrollments have increased 19%. That is a huge shift.

And that's why we're so pleased with the compact we've reached with Governor Schwarzenegger, which provides some stability and modest growth for the University so we can start planning for the future once again.

We're also deeply appreciative of the support Speaker Nuñez has provided for higher education. He has made higher education a top budget priority for the Legislature this year and last, and that support is making a fundamental contribution to California's economic future.

With the stability that we're finally achieving, we're looking to what we need to do next to help meet California's needs and keep the state competitive in the global economy. Let me tell you about a couple of things we're looking at.

First, even as we have paid a great deal of attention to access for undergraduates over the last many years, our graduate enrollments have been pretty much flat while other states' have been growing. That is a problem because graduate students are a huge contributor to the workforce and the research innovations that drive a knowledge-based economy like ours.

So, we're going to be focusing on ways of expanding support for graduate education in the coming years.

Second, we know that everything we do in higher education is built on the foundation of the K-12 system. I think we all know there are very serious inequities in opportunity in California's K-12 schools today. And higher education needs to play a role in addressing those issues.

We have academic preparation programs that work to improve the achievement and college preparation of low-income, first-generation-college students in some of California's lowest-performing schools. We need for those programs to continue.

In addition, we intend to work with CSU to help expand the supply of high-quality math and science teachers for California's schools. The simple fact is we're not meeting the need today – there are too many non-credentialed teachers out there, and that places our state's economic future at risk.

We're working to create a program that lures more college students into math and science programs, encourages more of them to become teachers, gives them a clear path to a teaching credential, and then provides support for them to stay in the profession. Again, this is something we'll do in collaboration with our partners in higher education, and I think in a few years, you will feel the impact quite perceptibly.

As we work on these issues for California, we want your input, and very frankly, we need your support. Your voices are important ones in Sacramento, and every time you convey to someone how important a strong higher education system is to your company, you make a real contribution to securing California's economic future. I hope you'll continue to do so.

If there's one thought I can leave you with here today, it's that higher education is critical to the state's future. We want to work with you so that we can collectively succeed in keeping California competitive – and we need your help in making the case for us.