

# Yudof's Message

*By Peter Schrag, Columnist, California Progress Report*

9/2/09

It's been nearly a half century since the late Clark Kerr, who helped build the University of California into the world-class institution it became, made his classic observation that California's universities, were "bait to be dangled in front of industry, with drawing power greater than low taxes or cheap labor."

But that was then and this is now. The university Kerr built, probably the brightest jewel in California's crown, with its great labs, its Nobel laureates and its global reach, is in serious trouble, a victim of what comes close to criminal neglect.

Maybe the governor and legislature, its tax-cutting fanatics most of all, never knew the value of that asset. If they did, they seem to have long forgotten it. Or maybe they just don't care.

Worse, the people who profess to be the state's business leaders -- the state Chamber of Commerce, the California Business Roundtable, and all the rest-- men and women who are supposed to be concerned about California's economic vitality -- seem to be ignorant of it as well. When you hear from them these days, all they seem to be concerned about is, as Kerr put it, "low taxes and cheap labor."

What's most in jeopardy, not only at UC but at the California State University and at California's 100-plus community colleges, which educate far and away the largest number of our students, is the investment in people, the crucial skilled workers, the educated citizens, on which California's future depends. Even now, for a variety of

reasons, a smaller percentage of its high school graduates go directly to college than all but two of the nation's 20 largest states. In New York, some 75 percent of high school grads go directly to college. In California it's fewer than 60 percent. It's a terrible time to make college access and quality even scarcer.

A couple of weeks ago, Mark Yudof, the president of the University of California, came to Sacramento to remind the Capitol press corps – what's left of it -- of some of those forgotten things and to chastise them both for their ignorance and their indifference.

“I don't understand,” he said, “how it is that I receive visitors from Saudi Arabia, Singapore, and Korea, who tell me how their nations aspire to build research universities modeled on the University of California.

“And yet, when I make the rounds here in Sacramento, I hear that the state cannot continue to invest in its own economic engine.” He's “baffled”, he said, when “I'm told it just isn't possible to reverse the slide in funding the university that is the envy of the world.”

The University, bailed out by some \$600 million in federal stimulus funds, will survive the \$800 million hit it took from the state in its budget this year. But that's a one-year proposition. Next year, when that money is spent, more classes will be cut, more students will be shut out, even as fees – meaning tuition -- rise again.

How long can the university retain its great faculty, much less attract new good people, when its faculty pay is cut and, very possibly, will be cut again? Because of the recession and shrinking endowments, many other universities are stretched as well. But some are not. The University of Texas, which wants badly to match or surpass UC, makes no bones about raiding Berkeley, UCLA and San Diego. When the tax cutters complain about California losing people and businesses to other states, where in the scale are the assets of the University of California?

The state now pays for less than a quarter of what it costs to run the university, giving rise to increasing talk about privatizing the system on the model of the University of Michigan, which long ago gave up the pretense of being a public institution charging low fees. At Berkeley, Chancellor Robert Birgeneau talks about reducing the number of California students admitted so it can increase the proportion of out-of-state students, who pay higher tuition, and could help balance the budget. California's fees, especially at the community colleges, are still low compared to the rest of the country, but at this rate they won't stay low much longer.

UC didn't help itself this summer when it raised the pay of some two dozen executives just as it was cutting the pay of everybody else (including most other executives). It may true, as university officials say, that the two dozen were taking on bigger jobs in a market that mandated higher pay, but that required a lot more up-front explaining than it got. Even Yudof conceded that the university hasn't handled things well.

UC, he said, had been "an institution so entitled and disengaged, it wouldn't get involved in the process in Sacramento; so arrogant it wouldn't provide even the most basic accountability or transparency to the people who foot the bills." More accurately, perhaps, it was afraid – often treating the disclosure of difficult decisions as if they were scandals.

Still, Yudof was right in chastising the media for their obsession with trivia. "The myopic focus on salaries and scandals, -- even where they don't exist," Yudof said, "misses the bigger picture, And that is how this university is poised to haul California out of its economic mess...."

"I don't understand why nobody would raise their voice in serious opposition as those in state government seek to throttle the one institution that promises the solution to California's economic woes. We are the stimulus, the state's economy engine"

On the other hand, “if you want top faculty, low fees, high financial aid and globally recognized excellence, then you’ve described a problem that can’t be solved.”

He’s right, but he better start putting that to a lot of other people. Where are the regents, the trustees of the California State University, the community college trustees in voicing their “opposition” to the damage that’s being inflicted and the low-tax theology in whose name it’s being done? If UC is the state’s economic engine, where is the business community? Where are the voices of the executives of the banks and the utilities; where are the ag companies that have benefited so much from UC research; where is Silicon Valley? If Yudof can enlist them, the regents should double his much-discussed executive salary, whatever it is.

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