

CITY CLUB SPEECH

Chancellor Eric Fingerhut

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Ladies and gentlemen, there are two things I never expected to see in my lifetime:

Unanimous consent by a Republican-controlled House of a Democratic Governor's Budget.

And unanimous consent by a Republican-controlled Senate to clear the way for a Democrat to be named Chancellor of the Board of Regents.

Both happened this week.... And the world, and Ohio, did not come to an end!!

(Pause)

I am extremely grateful to Governor Strickland for placing his confidence in me, and to my colleagues in the House and Senate for supporting the Governor's plan to name me Chancellor.

I don't think there is anything more flattering than to receive such an endorsement from your peers.

I promise to repay their confidence by working diligently to make Ohio a global leader in higher education.

I also want to thank Governor Strickland for proposing, and the Ohio House for increasing, record funding levels for higher education in the budget

which passed *unanimously* this week ... The first unanimous vote of its kind in 50 years.

And, you guessed it, the world and Ohio did not come to an end!

As the governor said in the *Plain Dealer*, "There is now an argument in Ohio about how much to provide for higher education, not if we'll provide for higher education."

That, my friends, is a very big change ... and a very good one.

Let me just give you the basic facts of the budget. For the last six years, there has been virtually no increase in funding for higher education.

Despite difficult budget constraints, Governor Strickland proposed \$192 million in new funding just for the basic support that our public institutions receive. The House added another \$33 million, bringing the total new funding just for this one line item to \$225 million.

For the last decade, because of declining state support, tuition increases at our public colleges and universities have averaged nine percent.

Governor Strickland proposed freezing tuition – a zero increase – in the first year of the next two-year budget and holding tuition to no more than three percent in the second year.

The House reversed these numbers – choosing to freeze tuition in the second year and permit the three percent increase in the first year. Either way, the state is well on its way to breaking the back of the tuition spiral the same way Federal Reserve Chairman Paul Volker broke the back of inflation in the 1980s.

Ever since I was first elected to public office in 1990, there has been a debate about the role of higher education in growing the economy. That debate is now over.

In fact, the state's three highest political leaders -- the Governor, Senate President and Speaker of the House --now speak the same language when it comes to the importance of higher education to Ohio's future.

Speaking of higher education in his State of the State address, Governor Strickland said, "If we do this right, education will feed the economy. Success will bring more success. And the beneficiaries will not only be students in the classroom, but all Ohioans."

When Speaker Husted introduced his plan to bolster the Governor's proposed higher education increases, and to add a \$50 million per year scholarship fund to encourage students to study science, math and

engineering, he said, "We are serious about making higher education a driver of the state's economy."

In response to Speaker Husted, Senate President Harris then said that "Senate members will be focused equally on higher education and what it means to our great state."

Yes, you heard me right. Higher education is now on the front-burner of our state's priorities. It's about time ... and it's the right time.

For me, focusing on higher education is only natural. Like many Ohioans, I am the grandson of immigrants, and the son of two hardworking parents whose education ended at high school.

As the first in my family to obtain a college degree, I know the life-changing impact that higher education can have.

Of course, I am not alone -- not by a long shot. We are living through a period of profound transformation.

Just as the industrial revolution once transformed our state and nation, the educational revolution is now transforming our country and the world. A high school degree and hard work is no longer enough to ensure a solid, middle class life. Today, a college degree is a necessity.

Talent is the currency of the new economy, and our colleges and universities are the places where that talent is developed, and where our most skilled

researchers create the knowledge that leads to innovation and industrial development.

Ohio's ability to compete in the global economy is directly tied to our ability to produce well-educated, innovative leaders as well as highly trained researchers, engineers, scientists, doctors, technicians.

When Governor Strickland called me to ask if I would consider the position of chancellor, he told me that it was his goal to build a system of higher education that will make Ohio a leader in the 21st century global economy.

This should not be a controversial statement, but in Ohio, regrettably, it has been. And, for too long.

For too long, our institutions of higher education, particularly those public institutions owned by the people of the State of Ohio, have been forced by the state's neglect to operate as completely independent entities, each struggling to find resources and build quality programs.

For too long, out of necessity, many have become used to operating this way, and have become resistant to change that could benefit us all. If we are honest with ourselves, however, we would admit that this path has resulted in schools that, in many cases, cost too much and deliver too little.

What does it mean, therefore, to build a system of higher education that will drive Ohio's economic resurgence?

It does not mean that we will simply copy the strategies of other states, though there is much to learn from the nation's greatest systems of higher education.

It does mean, however, that we will build on the traditions and successes of Ohio's great universities and colleges, while developing unique missions and centers of excellence that will establish our global leadership, keep our most talented students here at home and attract the world's talent to our doorstep.

In the global economy, no single college or university can drive our state's economy. Collectively, however, Ohio's system of higher education can and will establish our state as one of the best places in the world to build or grow a business, conduct cutting-edge research or expand the reach of knowledge in the social sciences, arts or literature.

Let me get more specific about the challenges we face.

Ohio needs a comprehensive network of two-year colleges that provide ready access to quality, two-year programs for all our residents.

Today, some Ohioans have access to extraordinary two-year education, but others have fewer opportunities. And it is unacceptable that tuition at our two-year colleges, the heart of our workforce

development pipeline, is 54% above the national average.

Ohio needs its public universities to excel in preparing the talent and conducting the research that will drive the economy of the future.

We cannot realistically expect each university to be great at everything. But we must be world class in the core fields of study that drives innovation and growth.

And, of course, price matters. Lower tuition makes higher education more affordable and accessible, and entices students who are being recruited by out-of-state institutions to stay in Ohio.

Ohio needs its private research universities to grow and prosper. You only need to think about what Stanford means to Northern California ... or what Duke means to North Carolina ... to understand the role of great private research universities and the value they add to their state's economies.

Ohio needs to better partner with its remarkable network of private liberal arts colleges to help meet the need for innovative talent in the new economy.

Before I left Baldwin-Wallace to become Chancellor, I was part of a competition in which private liberal arts colleges competed for funds from the Ewing Marion Kauffman and the Burton D. Morgan Foundations to

spread the principles of entrepreneurship throughout their curriculum.

Such initiatives, whether in entrepreneurship, the STEM disciplines, education, health care professions, or many others, help the state meet its economic challenges.

The role of higher education in the economy should be particularly true for Northeast Ohio.

We have, within easy driving distance, four public universities, one free-standing public medical school, three community colleges receiving local tax levies as well as state support, several other important public two-year schools and campuses, Ohio's largest private research university, and many fine private colleges.

Yet, despite this wealth of higher education resources, our economic vitality has lagged and too much of our talent has left for opportunities elsewhere.

For as long as I've been in government and politics, and I'm sure for as long as anyone in the audience can recall, we've debated whether the "leaders" in Northeast Ohio" have risen to the challenge.

When we have this discussion, we are usually talking about political leaders, and we usually conclude that they have not. Sometimes we add business leaders to our list, and usually conclude that they have not exercised sufficient civic leadership either.

As Chancellor of the Ohio Board of Regents, I want to say to you that I look to a different group of leaders in Northeast Ohio, and I encourage you to do so as well.

I look to the president of Cleveland State University, Michael Schwartz ... to the president of the University of Akron, Luis Proenza ... to the president of Youngstown State University, David Sweet ... to the newly installed president of Kent State University, Lester Lefton ...

I look to Dr. Lois Nora, the president of the Northeast Ohio Universities College of Medicine ... to Roy Church, the president of Lorain Community College ... to Jerry Sue Thornton, the president of Cuyahoga Community College ... to Morris Beverage, the president of Lakeland Community College.

I look to John O'Donnell, the president of Stark State College of Technology ... and to Barbara Snyder, the incoming president of Case Western Reserve University ... and to all of the leaders of our private colleges, who if I named them all I would both run out of time and surely miss someone.

These are the leaders, I believe, who will have the greatest impact on whether this region will grow and prosper in the 21st century.

And these are the leaders who we must ask to think about more than their own institutions. We must ask them to think, and act, on behalf of the common good.

We are doing exactly that right now with the four public universities and the public medical school in Northeast Ohio.

Last year, the Ohio General Assembly created the Northeast Ohio Universities Collaboration and Innovations Study Commission.

That commission is now meeting. It includes each of the five presidents, as well as members of their boards of trustees and important civic and business leaders.

This commission is not just about seeking efficiencies, though it is critical that we spend our precious resources wisely. Rather, this commission must develop a vision for how public higher education can drive the economic resurgence of Northeast Ohio.

As Chancellor, I commit to you that I will take such a vision and make it the cornerstone of our plan for higher education in Ohio.

However, and you know exactly what I mean ... I have been around government too long to believe that commissions themselves are solutions. Leaders are the solution.

And so this moment belongs to Michael Schwartz, Lester Lefton, David Sweet, Luis Proenza and Lois Nora. I know they will rise to the challenge, and they will have my help every step of the way.

If you don't believe me when I tell you that great universities can drive a region's economic prosperity, consider the case of Google.

Google was founded by two computer science doctoral students at Stanford. They both came from far away – one from Michigan and one from Russia by way of Maryland – to study at Stanford because of that school's reputation as the best in the world in their chosen field.

Once there, they found themselves in a cauldron of ideas and innovation fueled by the university's array of world-class science and engineering programs. The existence of this array of talent has also attracted the world's greatest collection of entrepreneurs and venture capitalists, and continues to draw workers from all over the world.

This same story is being repeated in San Diego, Austin, Boston, and the Research Triangle in North Carolina. It is the same model being followed now in our community as we build the bioscience industry cluster around Case Western Reserve, the Cleveland Clinic, and University Hospitals.

And we have four public universities and a public medical school in shouting distance of the epicenter of this growing medical-industrial cluster! Imagine what we can do and become if our public system of higher education rises to the challenge.

And rise to that challenge we will. I promise you!

At this time, I would be remiss as Chancellor not to turn to the tragedy that has dominated the news these past few weeks, the horrible events at Virginia Tech.

I extend my heartfelt sympathies to the families of the slain students and faculty members.

So that may never happen here in Ohio, the Governor asked me and this week I convened a Task Force on Ohio College Campus Safety and Security.

Right now we have more than 70 participants from private and public colleges on the Task Force. Governor Strickland charged this task force with advising him on how to make our campuses as safe and secure as possible.

By mid-August, we will report back to the governor on steps we have already taken and make other recommendations for longer-term changes and improvements.

We fully recognize that of all our challenges in higher education, one of the most pressing is a safe and secure environment.

So while many students take their summer breaks, we will be meeting throughout this time to give them greater security upon their return in the Fall.

All this talk about higher education is not new, of course. It is in our very DNA as a state and a nation. This week, the great American historian, David McCullough, visited the State Capitol, and I had a chance to talk with him.

McCullough has authored several biographies of U.S. presidents -- and won Pulitzer Prizes for his works on Harry S. Truman and John Adams.

When he learned I was Chancellor of the Ohio Board of Regents, he started talking about John Adams. He reminded me that Adams had been the author of the Constitution of the Commonwealth of Massachusetts, which predated the founding of the Republic.

In that document, Adams committed the Commonwealth to “spreading the opportunities and advantages of education in the various parts of the country, and among the different orders of the people.”

Education wasn't just important to John Adams. From the founding of Harvard College in 1639 to Thomas Jefferson designing and overseeing the construction of the University of Virginia, higher education has been part of our nation's plan for growth and prosperity from the very beginning.

This was always true in Ohio. Just look at The Ohio State University. OSU is one of the original land-grant universities -- institutions of higher education in the United States that have been designated by Congress to receive the benefits of the Morrill Acts of 1862 and 1890.

The role of government and education was central then to our growth and prosperity. And it remains central to our future growth!

I'm very happy and proud to say that once again, here in Ohio, the role of higher education is again understood to be the cornerstone of our future prosperity. We are a great enterprise in the making.

Let me conclude with John Adams again. In a letter to Abigail while stationed in Paris, Adams famously wrote:

“I must study politics and war that my sons may have liberty to study mathematics and philosophy. My sons ought to study mathematics and philosophy, geography, natural history, naval architecture, navigation, commerce and agriculture, in order to give their children a right to study painting, poetry, music, architecture, statuary, tapestry and porcelain.”

I don't know about porcelain, but I do know that our greatest aspirations for our families, our children and our state are tied up in our ability to study all of the learned disciplines, and to derive from them insights that will nourish us and power us forward as a people.

Thank you.