State Legislators

A time of opportunity, responsibility, and challenge

UM and State must work together in a partnership to secure the future prosperity and quality of life desired by Michigan citizens Requirements:

- 1) UM must continue its strong commitment to decisive internal actions designed to focus resources on areas of particularly high quality and critical importance
- 2) State must cotinue its commitment to substantial further investment in the University

A time of dramatic economic change...

Traditional industry economy is shifting to a new, knowledge-based economy

just as our industrial focus evolved from an agrarian society at the turn

of the century.

Intellectual capital -- brainpower -- is increasingly regarded as the key element

needed to compete effectively in a highly technological and rapidly changing global economy.

As we look to the knowledge-intensive future of Michigan, we,recognize as

have so many other states that it will be our great research universities

that will hold the key to our collective prosperity.

For this reason. leaders of state govenrment, business, labor, and industry

have `lled for a renewed investment in these institutions so essential

to sustaining the strength of our economic base.

State government has responded...

By re-establishing Michigan's universities as a high priority for public support.

Strong steps have been taken to halt the serious erosion of public support

that occurred during the 1970s.

Exciting new initiatives such as the Research Excellence Fund are beginning

to build the R&D infrastructure so essential to a knowledge-based economy

Already clear evidence of payoff...

- 1. University's federal research increased by 25% -- industrially sponsored research has increased by 50%
- 2. Research Excellence Fund has created nationally recognized centers in:

Complex manufacturing technology

Machine intelligence

Advanced electronics

Information technology

These programs already have attracted three major national research

centers funded at \$27 M.

3. UM has been selected as lead institution in EXPRES project to develop

a nationwide computer-communications network linking together American research universities, federal government, and industry. We are approaching State government for assistance in getting Michigan

on-board at an early stage with a similar network linking state universities

and colleges with all communities

4. State investment in UM Medical Center has paid off, not only with the best medical care in the nation, but exciting new research programs in

areas such as cancer research, coronary care, and medical imaging.

- 5. Also attracted the Howard Hughes Medical Institute, a massive private effort aimed at making Michigan the leader in clinical applications of molecular genetics.
- 6. Human resources: This year's freshman class is best ever. UM is now enrolling more students ranking in top 1% than any other university,

public or private, in the nation.

- 7. Confidence in University, buoyed by the new priority given by higher education by the state, have enable use to attract to our faculty many of the world's leading scholars and teachers, scientists and engineers.
- 8. The University has sustained its important research and service to the state in the field of social policy through projects such as the Detroit Area Study.
- 9. And, at the same time, the University has continued to leverage the state's investment, attracting \$2 from outside the state for every \$1 in state appropriation. Moreover, activities of our graduates and applications of our reserach have an impact on state's economy that totals in the billions of dollars.

Michigan is on the move!

State has taken strong first steps to rebuild capacity of its research universities to provide the knowledge-based resources so necessary to our long term well-being and prosperity.

Indeed, Michigan is rapidly becoming a model for the nation of the advent of an exciting new competitive age.

BUT, Michigan's efforts have just begun!

We still have far to go to counteract the crippling deterioration of public

- support experienced in the 1970s and early 1980s.
- 1. While Michigan ranks 10th in increase in state appropriation to higher education in past 2 years, it has pulled itself only up to 37th over the past decade!
- 2. While we rank 5th in tax revenue, we rank only 22nd in appropriations per student and 39th in percentage of total appropriations allocated to

higher education.

3. SRI Study suggests that presently we are underinvesting by as much as 30% in the knowledge infrastructure necessary to secure our state's

future leadership and prosperity.

If we fail to continue the pace of this re-investment, Michigan will not only risk falling behind other midwestern states, but regions such as California and New England will pull even farther ahead...and pull our industry with them!

The Challenge

Intense international competition, turbulent markets,

rapid technological change present new challenges to our future...

To stand still -- to fail to make the investments in our research universities

so necessary for tomorrow -- is to lose the race for the future prosperity

and well-being of our citizens.

We have no choice but to forge ahead, to pick up the pace and to increase these investments in order to secure once again the position

of leadership to which our state has long been accustomed.

We must acknowledge the vision and determination on the part

of state government that have led to a renewed investment in higher education in recent years and the success that has resulted from this action.

But the lesson of this success, however, must be that we still have more to do.

Michigan should not -- indeed, must not -- rest until we have secured our position of leadership so critical to our state's future by restoring the capacity and competitiveness of this states research universities.

The citizens of this state will demand nothing less!