

+ **Response**

- **We are deeply disappointed by the Governor's action...**
- + **Indeed, we view this as a dark day in the history of**
 - our state...
- + **For the first time in Michigan's history..., a governor**
 - + has taken action to reject the reasoned action of the
 - State Legislature...
 - + by crippling the capacity of several of our state's
 - leading universities through a veto their
 - operating appropriations...
 - + Even as most other states are dramatically increasing
 - their support of similar institutions because they
 - recognize the extraordinarily important role higher
 - education must play in achieving economic
 - prosperity and well being in a future increasingly
 - dominated by knowledge and global competition.
- **And for what purpose...**
- + **It is clear that the issue here is not the cost of higher**
 - education in Michigan. Indeed, the ultimatum
 - my institution received from the Governor's office
 - yesterday afternoon...with absolutely no advance warning...
 - was that if we did not roll back tuition from 9.6%
 - to 8.4%, we would have our appropriation vetoed...
 - That difference of 1% is less than \$15 per student...
 - That is clearly not a major factor in the ability to afford
 - a college education...
- + **No, the issue here is clearly rather one of power and control...**
 - Who controls the resources...and hence the quality
 - of our universities...their governing boards...or
 - the Governor.
- + **Indeed, it is no coincidence that the "magic target" of**
 - 8.4% we were presented with is identical to the percentage
 - increase assumed in the contract pricing action taken by the
 - Michigan Education Trust board earlier this week.
- + **Hence, I can only conclude that it has now become**
 - state policy that the MET program will govern
 - the resource base available to our public universities...
 - and hence the quality of higher education in Michigan.
 - + That a program characterized by many as "welfare for the
 - rich"...will determine both the quality of and the access
 - to the education available to those less fortunate
 - who cannot afford MET contracts...but who rather
 - must depend on the financial aid provided by our
 - institutions.
- + **There is a tragic sense of irony in all of this...**
 - + i) In recent weeks, the state in its massive
 - advertising campaign, "Say Yes to Michigan", has
 - time and time again referred to the critical role that
 - our University...and other institutions...have played
 - in Michigan's miraculous economic recovery...
 - Indeed, my university has been publically acknowledged
 - as a key factor in the growth of a \$5 billion dollar industry
 - in industrial automation now growing in Michigan!
 - + ii) Yesterday, the impact of our University was
 - demonstrated yet again as one of our faculty
 - members announced the discovery of the gene that
 - will likely lead to the cure of cystic fibrosis...and the
 - saving of countless lives...
 - + iii) And, think, for a moment at the sense of pride
 - we all felt as Michigan brought home both a Rose Bowl
 - victory and a national championship in basketball...

- + iii) And, while we are all concerned about the costs
 - of higher education, particularly in a decade which has
 - seen Michigan drop to the lowest among all industrial
 - states in its public support of higher education...
 - our university and others, through major internal reallocation
 - efforts, have increased our financial aid programs so that
 - we can now accurately state that "NO MICHIGAN RESIDENT
 - WILL BE DENIED A MICHIGAN EDUCATION BECAUSE OF
 - FINANCIAL NEED". Indeed, our University has a clear
 - policy of meeting the full financial need of all Michigan
 - students enrolling in our programs...
- + **There is another tragedy here. Because of the**
 - disruptive way that the confrontations over tuition control have
 - occurred in each of the past several years, this year we tried
 - to work together as institutions with the Governor and his
 - staff to address in a balanced way both the needs of our
 - institutions and the steps necessary to protect both quality
 - and access.
- + **We felt that these discussions were proceeding in good**
 - faith. Indeed, in the particular case of my institution,
 - senior members of the Blanchard administration (Mr. Solomon and Mr. Bowman)
 - had assured us that in view of the unusually low state
 - appropriation we had received in each of the last several
 - years, they understood our need to increase tuitions
 - at the level we had implemented this year.
- + **And yet, less than 24 hours ago, we were blindsided by**
 - an ultimatum to cast aside our responsibilities as
 - leaders of our institution and either adopt a mysterious
 - tuition number concocted by the administration...or
 - face the major damage of a veto.
- + **Since such action could not be taken without consultation**
 - with our governing boards, it seems clear that the
 - administration had already made up its mind to veto
 - our appropriation...
- **But, again, to what purpose...**
- + **It seems clear that there is a serious policy vacuum**
 - concerning higher education in Michigan that allows
 - such tragedies to occur.
- + **Conclusions...for you...**
 - + Higher education represents one of the most important
 - investments a society can make in its future...since
 - it is an investment in its people...
 - + It is indeed the case that our state and our nation have developed
 - the finest systems of higher education in the world...
 - + But we must also remember this resulted from the willingness
 - of past generations to look beyond the needs and desires of the
 - present and to invest in the future by building and sustaining
 - educational institutions of exceptional quality--
 - + Institutions that have provided those of us in this auditorium
 - today with unsurpassed educational opportunities.
 - + We have inherited these marvelous institutions because
 - of the commitments and the sacrifices of previous
 - generations...and it is our obligation as responsible stewards--
 - not to mention as responsible parents--to sustain them
 - to serve our own children and grandchildren.
 - + It seems clear that if we are to honor this responsibility
 - to future generations, we must re-establish the priority
 - of both our **personal** and our **public** investments in education,
 - in the future of our children...and hence in the future of our
 - state and our nation.
- + **Conclusions...for us...**

- + In a very real sense, our state has entrusted to us its most
 - valuable resources...its youth...and its future.
- + To be responsible stewards of the public trust, it is clear
 - that we must strive to achieve greater cost-effectiveness
 - in our use of public funds...and I can assure you that we
 - intend to do just that.
- + But even beyond this, we must become staunch guardians
 - for the quality of our institutions...
- + For in education, as in every other aspect of American life,
 - quality will be the key to our future.
- + Hence, to us falls the responsibility of taking the forceful and
 - courageous actions necessary to sustain and enhance
 - this quality...in the long run the people of this state
 - both demand and deserve nothing less!
- + **The Need for a New Coalition**
 - + Today Michigan faces serious challenges that
 - will clearly determinine its future prosperity
 - + and well being...
 - the challenge of pluralism...
 - the challenge of participation in a global community...
 - the challenge of the Age of Knowledge
 - the challenge of change itself...
 - + If we are to respond, we simply must reorder the priorities of this state...
 - + We must shift away from the temptation to
 - address only the needs and desires of the moment
 - + And, instead, we must begin to make some of the key investments
 - necessary for the long term...
 - + The key investments in our people...
 - in our children...
 - + This is not just the worry of local communities or
 - state government or public institutions
 - It is everybody's concern!
 - + Each of us must step forward and unite to
 - face the challenge of the future.
 - + We must work together to build new coalitions including
 - the public and private sectors...state government,
 - education, business, industry, and labor...to
 - develop an agenda appropriate to secure the
 - future of our children, our state, and our nation.
 - + Michigan continues to be blessed with abundant natural resources,
 - a people of great strength, and a system of higher
 - education of a quality envied by the rest of the
 - nation...indeed the world!
 - But, the writing is on the wall...
 - + If Michigan is to prosper in the age of knowledge
 - that is amost certainly our future, we must join together
 - now to restore both our public and
 - personal investments in education...
 - ...in our people and their ideas...
 - ...in our children...
 - ...and in our future