

The Utopian Past and Future of the Public University: A view from Berkeley

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It is my distinct honor and pleasure to be here this evening, and I want to thank the club's membership and leadership for this opportunity to talk about what I believe to be one of the most salient issues of our times: the fate and future of one of this country's grandest ideas -- public higher education. Let me be clear at the outset. Speaking as the Chancellor of the University of California, Berkeley, I speak not only for the importance of the idea of public institutions, I speak for academic excellence second to none.

In many ways the Commonwealth Club is the perfect venue to launch a campaign to engage both UC Berkeley's many stakeholders and the public at large in a conversation about the urgent need to re-imagine the significance, the relationships, the mission, and the financial conditions of our great public research universities. There is no better forum for this than a club born of Edward F. Adams' belief in the idea of public service and the benefits of broad participation in debate and discussion. An inherent part of his vision, made manifest in the very name of this august institution, is the belief in and acceptance of the notion that there is a commonwealth, or common good. I take particular inspiration from the fact that two of Adams' co-founders were leaders in public higher education---Benjamin Wheeler, then president of the University of California, and Frederick Burk, president of what would become San Francisco State University.

I hold that the centrality of a public good is both self-evident and beyond dispute. Yet, there is abundant evidence that the very idea of the public is in serious trouble. We are living in an age of political paralysis and institutional decay, so deftly described by George Packer in his book, *The Unwinding*. There has been a palpable decline in our confidence that government, and by

extension and implication other public entities, have the capacity, or the inherent aptitude, to deliver basic services and to meet emerging challenges. This, of course, stands in marked contrast to attitudes prevalent not so very long ago, when there was a broad – if not completely shared – national consensus about the efficacy and value of public institutions when it came to things like addressing poverty, building infrastructure, confronting environmental degradation, or for that matter ensuring access to high quality education at every level.

The general belief that the private sector is more effective and efficient than the public sector has been fueled by many forces – not least the extraordinary economic and technological changes of recent years. It has been exacerbated, however, by increasingly privatized and segmented forms of public discourse, the removal of constraints on private political spending, the peculiar ways in which the American cult of the individual – a phenomenon identified by Tocqueville almost two hundred years ago – has been fostered from many different points on the political spectrum. In an article in the *New Yorker* on our progressive Bay Area zeitgeist, Packer describes a new libertarian ethos even here, one that focuses primarily on individual accomplishment and rewards, while being increasingly divorced from any consideration of shared responsibilities and the benefits we derive from concerted, and public, efforts to enhance the greater good. We saw what happened when the President suggested during the last campaign that entrepreneurs don't build businesses entirely on their own, despite the fact that even one of the greatest inventions of our times, the iPhone, was fundamentally dependent on the massive public investment behind the computer and internet revolutions (Mazzucato, *The Entrepreneurial State*). At the same time, and for similar reasons, technology has been seen as the new panacea for social good. As Packer himself made clear, we don't have to doubt the enormous good technology has and is doing to be skeptical of the view that technology alone can change the world's problems. And this begs another set of questions around the social and economic problems that are being generated by a technological revolution that, for better and for worse, is changing the fundamental structures of economic life, in modes of production and distribution.

In a trenchant analysis, my Berkeley colleague, Robert Reich, makes a compelling argument that this ongoing decline of the public good can be directly tied to the dramatic concentration of American wealth and the “tax revolt” launched in the 1970’s. As the quality of public institutions declines due to constrained revenue, it is the affluent that have the means to turn to private institutions to provide the services they seek. What ensues is greatly diminished political support for public institutions, setting off, as Reich says, “a vicious cycle of diminishing revenues and deteriorating quality, spurring more flight from public institutions.” And as the moral philosopher Michael Sandel has recently suggested, we have only begun to see the implications of privatization for the things that money can, and will, buy. In his most recent book, he has shown how just about everything now is part of a market, including not just the quality of life, but to a growing extent, life itself (What Money Can’t Buy: The Moral Limits of Markets).

The current predicament of public higher education both reflects and complicates this larger picture. On the one hand, universities like my own have seen massive levels of public disinvestment in recent years, at the same time there has been a corresponding rise in the prestige and wealth of elite private institutions. On the other, elite public universities have become more like the privates, raising tuition dramatically, competing furiously for federal grants and private gifts, restructuring at least some parts of our operation around the need to contain costs and enhance revenues. And yet public institutions of higher education continue not just to value affordability and access (as indeed do many elite privates), but to use both their scale and their resources to continue and in some instances enhance their role in providing opportunities to far broader swaths of our population than ever before. The lines between public and private, however, have blurred in other ways as well. Suzanne Mettler recently demonstrated, in an article published in the NY Times just ten days ago, that “nearly a quarter of federal aid dollars allocated through Title IV of the Higher Education Act of 1965” have been directed to “for-profit” colleges that “account for nearly half of all student loan defaults.” Mettler describes disturbing trends in which the opening up of the American university in the years after World War II has now been engulfed by a perfect storm in higher education, in which the enabling, and funding, of the for-profit sector has intensified the effects

of public disinvestment, rising costs, and growing competition (especially in those institutions where merit aid has increasingly replaced need based aid for students and where student services have on occasion been directed to boutique consumer markets).

I believe that we need to find new ways to define and to inhabit the meaning of the public in our current age, even though I fear there is no going back to an earlier age in which Clark Kerr, the first Chancellor of UC Berkeley and later President of the system, secured both full public consensus about and funding for the fabled Master Plan of 1960. And yet I also believe that public higher education has never been more central to our effort to preserve both our faith in and the survival of the commonwealth to which we pay tribute here. We all have a significant stake in the success of our efforts to preserve the University of California's public commitment not just to access and affordability but also excellence both in research and in our educational mission. And this includes taking collective pride in, if also responsibility for, the maintenance of the distinctive excellence of my own campus, recently ranked as the third best university in the world by the Shanghai Jiao Tung index, behind only Harvard and Stanford. I realize, however, that I need to make my case in new ways for new times: to argue in other words less for a master plan than for a public compact, a Berkeley compact in which we both re-frame the idea of the public, and re-imagine the critical importance of the kind of research we do, the education we offer, and the service we provide.

We are no longer a publicly financed university in the sense that was simply assumed for the master plan; among our four primary sources of revenue, state allocations now trail tuition, research funding and philanthropy: a complete inversion of the financial model that existed less than decade ago. In real terms, Berkeley's annual state appropriations have, since 2003, declined by 54%, and now account for only 12% of our operating budget. The Governor's budget increase this year translates into only a 0.6 percent increase in our budget, an amount insufficient to keep up even with increased pension contributions that are necessary because the state no longer contributes to the pension pool. Despite considerable success in finding new revenue sources, we still find ourselves without a sustainable financial model for the future despite aggressive and sometimes painful efforts to control our costs. At the same time,

and in ways that have further stressed our financial model, we have expanded our financial aid program so that we now provide support for families with incomes up to \$140,000 a year. With the help of state and federally financed student aid, but importantly also using a combination of philanthropic resources and a thirty percent return from the tuition we collect, we have continued our excellence as one of the world's major research universities in which nearly 40% of our undergraduates pay no tuition at all, even as 60% of our students graduate without debt and those that do have loans that total, on average, less than \$20,000, well below comparable figures for our public peers.

Despite increased reliance on private sources of revenue, Berkeley's public attributes, contributions and ethos are in some respects greater than ever before. We have a more diverse student body than in the past, and our capacity to act as a catalyst for social mobility has increased markedly: Berkeley graduates almost as many Pell Grant recipient students – from families earning less than \$45,000 a year – as all of the private Ivy League universities combined. We have aggressive programs and relationships that allow us to reach deep into distressed schools and communities to recruit a level of socio-economic diversity that I never even dreamed of in my Ivy League past, a diversity that also demands ever greater levels of investment in support and services to ensure not just the success of all of our students, but their capacity to take full advantage of all the opportunities – from community service and internships to research and study abroad – that our university affords.

At the same time, our academic reputation continues to be nothing short of awe inspiring: in almost every ranking, whether of global universities as I just suggested, or of graduate departments and programs across all fields, from engineering to basic science, from the humanities to the social sciences, we are routinely placed in the top ten if not the top five. With a level of academic excellence on par with the best of our private peers and tuition that is, on average, less than a third of what they charge, Berkeley is, in fact, a bright, shining example of a publicly owned institution that produces world-class results at a lower cost than its private competitors. This extraordinary accomplishment, however, is increasingly fragile, for the truth is that we continue to confront budgetary pressures that, absent reform and significant change,

have the potential to severely compromise all parts of our mission, from our excellence to our accessibility, from our educational programs to our societal outreach.

And yet there is little public appetite or pressure for increased levels of state funding, and growing concern that the cost of higher education has rendered our business model not just unsustainable but even illegitimate. These concerns have only been exacerbated by rising levels of un and under employment, even for college graduates, despite general recognition that college degrees still afford great economic advantages. Now, however, narrowly construed economic benefits, and tradeoffs, seem paramount, and there is growing concern about immediate financial payoffs and the relative merits – financial in particular – of the training offered by our educational system, especially at the undergraduate level. Longstanding commitments to the value of the liberal arts and sciences – the uniquely American idea that grew out of earlier forms of religious, moral, and civic education – are giving way to another distinctly American preoccupation with vocational training in what used to be called the “practical” arts. Education is increasingly seen as a private good at best, and public disaffection for things public has been further propelled by populist resentment of so-called elite ideals and aspirations. At issue is nothing less than the precarious balance that became fundamental to the great success and extraordinary achievement of the American system of higher education during the twentieth century, a system that is the envy of the world, a model that is increasingly being copied and supported in foreign lands more enthusiastically than it is here at home. (Just tomorrow, for example, I am going to India where I will speak at a brand new liberal arts college, Ashoka University).

The passage of the Morrill Act in 1862 that laid the foundation for America’s system of public higher education was driven by a widely shared belief that the future of American democracy would be contingent on our ability to bring knowledge and opportunity to as many citizens as possible. President Lincoln, a fervent supporter of the act, said, “Upon the subject of education...I can only say that I view it as the most important subject which we, as a people, can be engaged in.” And, those words were backed up with the necessary financial resources, as

the federal government granted land to states—30,000 acres per member of Congress---that could be sold to support the establishment of the new land grant colleges.

Ten years later, in 1872, incoming president Daniel Coit Gilman delivered the University of California's first inaugural address in which he re-affirmed Lincoln's sentiments. The University is "of the people and for the people" he said, "Not in any low or unworthy sense, but in the highest and noblest relations to their intellectual and moral well-being." Gilman became deeply frustrated by the political interference of the California legislature in creating the right kind of balance between research and intellectual endeavor on the one side and the practical and agricultural arts on the other, so much so that he left after three years to take up the presidency of a private institution, Johns Hopkins University. Nevertheless, and despite routinely recurring echoes of the things he worried most about, he set the basis for what was a steady record of extraordinary accomplishment, to the point that the University of California became known as one of the nation's greatest universities by the early years of the twentieth century, when Edward Slosson observed that, "I know of no other university which cultivates mechanics and metaphysics with such equal success."

Speaking at his inauguration as the first Chancellor of UC Berkeley in 1952, Clark Kerr noted that, the university's "responsibility is not met in full by the education of successive student bodies, or by provision of myriad public services. These constitute the core of its activity, but do not exhaust its obligation. The university plays its highest role and meets its most profound obligation by its contributions to the moral and intellectual life." Six years later, as President of the system and at a time of great expansion and rapid growth, he reaffirmed that as the university prepared for a future that in his words could create a Golden Age for mankind –it was of paramount importance that an intellectual and moral vision guide the great values that knowledge should be made to serve. In 1960, Clark Kerr introduced his visionary California Master Plan for Higher Education, the greatest organizational idea for public higher education in the twentieth century. The Plan legitimated the concentration of research and high performing students in its premier institutions while making the system of education – from community colleges across the state to the Berkeley campus that was by then Harvard's peer –

integrated in an unprecedented way, an institutional reflection of American democratic ideals joined with the twin values of excellence and merit. With astute political maneuvering and the full support of then Governor Pat Brown, the Master Plan was installed as the guiding structure for higher education across the three tiers of the California system.

By the time Kerr delivered his famous Godkin lectures in 1963, he was confident enough to announce that the, “American university is ...undergoing its second great transformation”... (a transformation, he noted that “will cover roughly the quarter century after World War II. The university is being called upon to educate previously unimagined numbers of students; to respond to the expanding claims of national service; to adapt to and rechannel new intellectual currents. By the end of this period, there will be a truly American university, an institution unique in world history, an institution not looking to other models but serving, itself, as a model for universities in other parts of the globe.” Kerr was prophetic, and played a foundational role in the creation of the success of this global model. And yet, reflecting on these same questions some forty years later, long after he had been challenged by the Free Speech Movement and then brought down by the collision of political forces in the California of the 1960s, Kerr acknowledged that his was still less than a golden age. He worried not just that the Master Plan survived only in diminished degree – as far back as the early 1990s – but that the survival of the crown jewel, the University of California at Berkeley, was in jeopardy from forces both without, and within, the university.

Although Kerr did not quite say it, he sensed that the American university had already begun to undergo a third transformation, this one far more difficult than the one before. I have already characterized some of the conditions governing this transformation, and I will readily confess that I still do not know how this one will play itself out. Kerr himself was characteristically prescient; he was concerned not just about the unprecedented competition for public resources at a time when private enterprise, and values, were increasingly ascendant, but that great research universities like Berkeley were not sufficiently attendant either to the need to focus on undergraduate education or to recalibrate the balance between specialized research and the intellectual and moral calling that was, as he said, its most

profound obligation. Although he did not work out a new model, he had begun to write about globalization, technological change, and the pressures of demographic change before his death in 2003. He understood fully the need to look forward not just with fear, but with a resolute sense of possibility.

For me, this means beginning with a focus on the core mission of the university, the education of our undergraduate students. I simply do not accept the charge that large research universities, especially great public ones, cannot provide high-quality – “high-touch” – collegiate experiences for our students. I am establishing a task force at Berkeley to develop and implement new ideas for the evolution of the undergraduate curriculum and experience, expanding opportunities for participation in research and exploration inside the classroom and outside, on our campus and around the world. I am intent on challenging our community to engage all of our undergraduates, no matter what they major in, with a rigorous education in the liberal arts and sciences. This means ensuring that our students learn through critical reflection in conversation with fundamental human debates and dilemmas, classic texts and traditions, that they develop the skills of effective and persuasive communication, that they participate in the production and development of knowledge, and that they ask themselves and each other the most challenging moral and intellectual questions about meaning and purpose in our lives and in our society. The skills that develop out of this kind of education are highly transportable and continuously useful. This is a time of constant career change, of the need for higher levels of creativity, imagination, flexibility, and literacy (both linguistic and numerical) than ever before, of urgent moral choices. How else will they – how else will we – be able to negotiate a world that is being transformed so quickly by new technology, expanding globalization, changing social and economic structures, new cultural and political challenges, and dangerous environmental trends.

Berkeley has been a center of discovery and innovation, of multidisciplinary and path-breaking research, for most of its history, and in some ways has never been more so than it is today. In our Energy Biosciences Institute, for example, the quest for new, sustainable sources of energy involves not just chemists, biologists and engineers, but also sociologists, environmental

scientists, economists and experts in food security. We have three new centers for the study of big data, each of which is bringing new methods, and disciplines, to bear on unprecedented data sets. Our social scientists are not only leading national policy debates (and, for example, the Federal Reserve), they are providing some of the most important insights into questions of social behavior, economic inequality, and cultural conflict. Our latest Nobel Laureate engaged in fundamental research on cell behavior only to provide the basis for the treatment of diabetes and other diseases. And the list could go on and on...

Yet, here too I believe we can do more. Work is already underway to build a new ecosystem in and around the campus to propel innovation, entrepreneurial activity, economic growth and the rapid translation of our research discoveries into goods and services that directly benefit the public. An important part of that effort is the coming development of our Richmond Bay Campus, where we will expand our efforts and partnerships in areas such as energy, the environment, health and the global economy.

The salient challenges and opportunities humanity faces are now global in scale, whether in the form of poverty, climate change, the quest for sustainable sources of energy, sustainable and more equal economic growth, global health issues, religious and social movements, and new levels of international conflict. Successfully confronting these challenges requires collaboration and cooperation that reaches beyond the governmental level to institutions of higher education that have the means and the motivation to marshal innovative intellectual resources for developing solutions and strategies. In fact, world-class public research universities are uniquely suited to helping us address challenges that know no national borders or academic boundaries.

As a result, we are now exploring the costs and benefits of establishing consular-type liaison offices overseas might support our core mission elements, educational goals and the establishment of Berkeley as a leader in the creation of a new kind of globally networked public academic institution.

I have also recently announced a major initiative in the arts, in an effort to build the arts more integrally into the lives of all of our students, both graduate and undergraduate, as well as to connect the extraordinary resources of the university and our community more vitally and

productively. The arts not only nurture our common humanity, they also expand our imaginative relationships to each other, to our material and our spiritual world, and to fundamental values.

These are but a few examples of new plans and initiatives that will expand and accelerate our contributions to the commonwealth.

In my view, much rides on our success. We know that states receive anywhere from four to seven dollars back on every dollar spent on higher education. A well and broadly educated workforce pays more in taxes, requires less in the way of services and support, and generates economic activity, social stability and cultural vitality. And yet that is just one part of the story.

Our public argument must be made not just to the state but to the private sector, which also reaps significant rewards from all that we do in our laboratories and classrooms. Berkeley is already deeply engaged in a number of mutually beneficial partnerships; yet, to date those collaborative efforts have been largely confined to our research endeavors. I will leverage the unique position of a public university at the nexus between business, government and society at large in order to marshal the full range of intellectual, political and financial resources required for progress, prosperity, and the public good.

We can develop new sources of revenue that are consistent with our mission and character. And, while I do not share the view of some that the road to financial stability will be paved with online course offerings, new technology is already demonstrating significant educational benefit and extending intellectual resources both on campus and beyond in ways that will serve both our students and the public.

My point of course is that the education we offer, even – especially – at an elite public research institution like Berkeley, is always for both our students and the public. On any given day you can find Berkeley professors fanning out across the media landscape, blogging, speaking in public forums, testifying before legislative bodies. These are the people who are leading the charge for new efforts to address the threat of global climate change; advocating for more humane and effective social welfare policies; describing their solutions for a shortage of clean

drinking water in the third world; interpreting data that conclusively demonstrates the threat posed by rising income inequality; promoting the arts and debating the meanings of literary and philosophical ideas...and the list goes on. Yet, while I believe we stand as an institutional refutation of what New York Times columnist, Nicholas Kristof, sees as an academic retreat from the public square, I seek now to tell a different kind of story. This is a story for a public that does not fully appreciate the enormous stakes involved in our struggle at Berkeley not just to survive during this moment of great transformation, but to continue to lead, while producing the leaders, and the leading ideas, we need for the future. This is a story in which the private good and the public good collaborate for the sake of both. This is a story in which the commonwealth reclaims its urgency, its resolve, and its support. This is a story in which nothing less than the future of the American dream, and of our capacity to serve as a model and a resource for the world, is at stake. This is a story I hope we can tell together.

