

Opinion: Can two people hold Calif.'s higher ed hostage?

By Daniel J.B. Mitchell

As its official budgeters measure it, the University of California has a \$27 billion operating budget – of which a little less than \$3 billion comes from the general fund of the state. Each of those state dollars is roughly matched by a tuition and fee dollar from students. You can argue about the accounting. You can hold legislative hearings. You can demonstrate at regents meetings. You can demand more “efficiencies.” But that doesn’t change the fact that most of the support for the university doesn’t come from the state. The bulk of the budget comes from sources like research grants, patient revenues in university hospitals, and fees for managing the U.S. Department of Energy labs.

When you get down to it, the current conflict between the university and the governor over budgets and tuition, dramatic though it may be, deals with a small fraction of the overall cost of running UC. The second fact to appreciate is the budgetary multiplier effect. Apart from any indirect stimulus to the economies near the UC campuses, the state is putting in under \$3 billion of funding into UC, and getting \$27 billion in direct economic activity out of it.

That return seems like a good deal.

So what’s the problem? Or put another way, what would the current governor’s dad see as the problem, if he saw one at all? Would it be that the UC budget is insufficiently transparent? Would it be that the university is being disrupted by new technology and isn’t reacting fast enough? Would it be that university administrators are overpaid? Would it be that those administrators are “tone deaf,” as the

Assembly speaker put it, to state politics?

My guess is former Gov. Pat Brown would not see these as key problems. My guess instead is he would see the key problem as a lack of strategy regarding public higher education in California.

What we have today – instead of a process to develop a new master plan to follow Pat Brown's 1960 master plan – is an ad hoc arrangement known as the "Committee of Two," consisting of Gov. Jerry Brown and UC President Janet Napolitano, who have held much-discussed meetings this spring. The Committee of Two reflects Brown's hang-ups about UC, and his personal engagement with it; he has been attending regents meetings previous governors skipped. The Committee of Two may come up with a budget agreement. But the Committee of Two does not include the Legislature, which must enact whatever the state allocates to UC, or any of the interests that have a stake in UC.

The Committee of Two is limited to UC issues. In contrast, the old master plan sought to look at higher education in California more generally. It considered what are now the California State University system and the community colleges and tried to carve out roles for each of the three segments. With hindsight, we know that not every element of the old master plan was retained. But the master plan was an attempt at developing an overarching strategy and public consensus. That is why it still hovers over all California conversations about public higher education. It is hard to imagine that 55 years from now, Californians will still be referring to the Committee of Two.

By itself, the narrowly focused Committee of Two can't produce a new master plan. It can't produce a higher education strategy for California. It can't produce the kind of wide consensus needed to back such a strategy.

Pat Brown's legacy today is largely seen as a major state water project, transportation (expansion of the freeways), and a higher ed strategic plan (the master plan). Jerry Brown, now in his last term, seems also to be thinking about legacy. He has a water project (the tunnels) and a transportation project (high-speed rail). If he wants to complete the package, he'll need something more than his personalized Committee of Two. To get to a new master plan – a legacy – he would need to back off from personal engagement and open the process to the legislature and key interest groups. And he would need to widen the agenda to encompass all three segments of California higher ed. Producing a new master plan will take time and political skill. The clock is ticking.

Daniel J.B. Mitchell is professor emeritus at the UCLA Anderson School of Management and the Luskin School of Public Affairs. He co-teaches a course at UCLA each winter on California Policy Issues with Michael Dukakis.