

TRANSCRIPTION RE:
2008 Academic State of the University Address
By
Provost Biddy Martin

Prepared For:
Cornell University

Transcribed by:

DS: David Skorton
BM: Biddy Martin

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DS: Good afternoon, thanks for coming, and I want to say hello and welcome to those of you here in Call Auditorium as well as to a wider campus audience that is here via webcast. So, wherever you are, welcome to the Second Annual Academic State of the Union Address. I am very pleased to welcome members of the board of trustees and all of you who are here and in on webcast. As the University's Chief Academic Officer and Chief Operating Officer, the Cornell University provost has a uniquely broad perspective on the academic enterprise and the entire university. The provost oversees all academic programs except those of the Weill-Cornell Medical College and serves as the president's first deputy officer.

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DS: Assisted by the deputy provost, vice provost, associate provost, the provost oversees the teaching, research and outreach mission of Cornell University. The provost hires and directs the work of the collegiate deans and is responsible for tenure and promotion. The provost carries out the very important and complex task of fostering interdisciplinary cooperation in the sciences, the social science, the arts and humanities and the various professional fields. The provost is also responsible for strategic planning, budgeting, academic and research initiatives, and general academic supervision of this campus. Provost Bidy Martin is in her eighth year as Cornell's

provost, having served in three Cornell administrations. Previously, she was Senior Associate Dean in Cornell's largest college, the College of Arts and Sciences. Biddy completed her doctorate in German literature in 1985 at the University of Wisconsin, Madison, having already joined the Cornell faculty the previous year.

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DS: She was promoted to Associate Professor in the Department of German studies in 1991 with a joint appointment in women studies and served as department chair from 1994 to 1997. She also served as Associate Director of the women's studies program in the 1993-94 academic year, and became a full professor in German studies in 1997, the year after she had taken up her administrative responsibilities in the College Of Arts and Sciences. Biddy has served on several committees of the Institute for German Cultural Studies, the Women Studies program in the field of lesbian, bisexual, and gay studies. Her publications include *Women in Maternity, the Lifestyles of Lou Andreas-Salome*, Cornell University Press in 1991 and *Femininity Played Straight* in 1996. Over the past two years, I have gained tremendous respect for Provost Martin's intellectual leadership of this institution.

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DS: She is a first-rate scholar who has the breadth of intellect and interpersonal skills to bring people together across boundaries of all kinds. She has demonstrated those

skills at Cornell and far beyond including just last fall in Asia where she was part of a Cornell delegation that traveled to several cities and reconnected with alumni there, and inaugurated the Peking University portion of our new China and Asia-Pacific studies undergraduate major. Last March, in her first Annual Academic State of the University addressed, you recall that Provost Martin eloquently addressed and passionately addressed the qualities that make Cornell unique among America's major research universities and so be loved by all of us who are associated with this great university. She also described four challenges that have provided a touchstone for our efforts during the past year. First, the challenge of rebuilding the university by renewing our faculty in anticipation of the great demographic changes we anticipate over the next decade.

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DS: Second, improving teaching and learning by building on what we already do well while also instituting more regular curricular review and curricular innovations, and building teaching cultures that encourage discussions of Pedagogy, Teaching and the sharing of new research on how students learn. Third, ensuring the diversity of our faculty and staff by attracting a much broader mix of people from across the nation and across the world. And finally, the challenge of aligning our priorities with our resources as we face an increasing number of hard choices, because of the great reach of Cornell. Her address this afternoon will provide an update on what we have achieved

and Bidy's look at the road ahead. Please join me in welcoming our colleague, our leader, and friend Bidy Martin.

(Applause)

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BM: Good afternoon everyone. David, thank you for that much too generous introduction, I really appreciate it. I appreciate especially that you summarized last year's talk and I now don't have to cover those points. It is a privilege. I have said this before, I said it last year, I wish to say it again that it is a privilege to serve this institution as its provost and I cherish every constituency of this great community – the faculty, staff, students, alumni, trustees. I am honored to spend so much of my career working with you and for you. Last year, as David just said, I did focus my remarks primarily on the extraordinarily talent and range of our faculty and programs. I emphasized that we are in the process of renewing the faculty.

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BM: I stressed the importance of really good strategies for the recruitment, retention, and diversity in our faculty, staff, and student bodies. I emphasized the competitive environment in which we find ourselves and...I am going to take a different approach this year. That is my announcement for the moment. I will turn briefly to some of the

same issues later in the talk very briefly, but what I want to do today is focus broadly on what I call questions of value. The value of education and higher education in particular, the value of particular institutions and how that value is defined in the world of higher education and beyond.

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BM: This is one of my concerns at the moment, so I thought I would share it with you. I am going to start by drawing on a 2005 article in the Economist. I don't know how many of you have read the articles, it is called the Brain's Business. Raise your hand if you have read it. Okay, that is great. What is great you are wondering that so many have rather or so many have not? I am not sure myself, but it seems good to acknowledge it. This essay in the Economist does a good job, I think, an unusually good job of telling the story of where higher education is and where it is headed. It is not the only way to tell a story, but it is one way to put the pieces together, and it has enough virtues and enough problems to propel us into our own thoughts and inquiries and that after all is the point of using any article.

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BM: According to the 2005 article, the Brain's Business, higher education is in the midst of a golden age and some of you may need to take a step back from your day-to-day reality to understand that or appreciate it (while Webb is laughing and nodding) that

we are in a golden age and I hope you realize that. The golden age is driven by three things according to the Economist. First, what they call massification, which really is simply the significant increase in the number of people around the world with secondary school educations who want post-secondary education. Second, globalization, which I am not going to define for you. And third, the emergence of a knowledge economy. Our government is reported in this week's Washington Post as having estimated that two-thirds of all high growth, high-wage jobs created in the next decade will require a college degree, and as a result of these developments countries all over the world are making massive investments in higher education. India and China are usually named as the top two, the fastest growing, but they are not the only ones making these increased investments in higher education.

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BM: Now, to a significant extent, the United States, its so called system of higher education, is serving both as a model and also as a direct provider of post-secondary education and professional education in other parts of the world. And in a front page article that many of you may have seen in the New York Times a couple of weeks ago, we are told that this amounts to a rush among US universities to set up outposts overseas. The article suggests a gold rush, in fact, which has a slightly different ring than a golden age, but the two are obviously related, the gold rush and the golden age.

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BM: The times quoted both supporters and critics of this move overseas. Some of the critics alleged that the motivation really is only financial. The article focused on John Sexton in NYU and talked about its initiative in Abu Dhabi suggesting, I think, that the financing of that effort and its potential to catapult NYU you into the ranks of great global universities was the motivation. So, the article was both enthused about these developments and also cynical. President David Skorton has quoted in the article, sounding a characteristically uncynical note emphasizing the potential of university interactions and so called outposts not what he would call them, to serve as crucial diplomatic assets for the country and indeed the world. Pointing as he did in his State of University address this year and in his commencement speeches to the contributions that universities like Cornell have been making for well over 100 years abroad.

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BM: For Cornell, the international initiatives that we have undertaken and the outpost, the one in particular in Qatar that we setup abroad are both extraordinarily forward looking, but they also spring from our founding mission and have everything to do with a long history of international activity. In other words, these decisions have integrity, I believe, they draw on, they protect and they even strengthen what we do at home. And that I think ought to be the basis for decisions about where we expand and how we expand. Now, according to the Economist, to go back to them and I quote them, the most significant development in higher education over the past few decades is the

emergence of world-class global universities, that – and I paraphrase – have the potential to attract the most talented faculty and students to their parts of the world to employ a growing number of qualified staff to support the academic mission, generate the ideas and technologies that will drive the world’s economies, transfer their inventions into commercial uses that create wealth.

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BM: So, what are those world-class global universities that have the potential to do all of that? And that is where the slide comes in. The Economist uses the Shanghai Jiao Tong rankings, which are based on a mix of indicators including the number of Noble Prize winners and the number of published articles in respected journals. So, take a quick look, you have already seen it, you can have a look at the Jiao Tong ranking, Cornell ranks 12. That is also a Cornell’s ranking by the way in U.S. News and World Report among U.S. universities, so you figure that one out. I am going to turn to the U.S. News later, much to your surprise I am sure. What I want you to notice in addition to the fact that Cornell is 12th is that the Economist version of this list made an editorial comment by putting American rules as a caption. We have reproduced it here because we do not have the slide of their page. Now, America rules according to the Economist, and why does America rule? America makes up most of the 20 top global world-class universities. What the economist says America rules for one simple reason – it is not so simple as it turns out, but for one reason, and that is that the system of education in the United States offers the best combination in the word of what they call equity and

quality. And by equity they mean the percent of the college age population that has a post-secondary degree, and by quality they refer to these rankings. Now, how is it then according to The Economist that the United States can combine quality and equity in the way that it does?

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BM: Of course, wealth matters, investment in higher education matters, but they say that is not as important as organization, not nearly as important as organization. To quote them again, “the American system works because it is not a system.” Now, clearly, because it’s The Economist, they are contrasting the United States primarily with Europe and even continental Europe, and their argument is that the United States’ system of higher education is not controlled or managed by the Federal Government, and that for them is a very good thing. American universities are supported by the Federal Government, but they are not defined by it, they operate with mixed revenue sources, according to The Economist, American universities do. They do not have to serve a single patron, whether the government or anyone else. Indeed, as you might imagine, The Economist loves the market-based nature of higher education in the United States, which allows for the diversity of institutions, differentiation among institutions and students’ choice to go to the institution that seems best suited to them.

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BM: In addition, we have to compete for those best students and that makes us better. As a result of this variety of institutions, not only do more college age citizens have access to higher education in the United States than elsewhere, but I quote The Economist again, “the United States also does a better job than most others of serving nontraditional students.” The Economist applauds the diversity among our student bodies writing, “the majority of undergraduates are female, a third come from racial minorities, and more than 40% are age 25 or over.” They add that about 20% come from families with incomes at or below the poverty line and half attend part-time. In addition, 80% of American students work to help support themselves. A point that I would like emphasize when I talk a little bit about the recent financial aid announcements in a minute.

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BM: There are still other factors that account for the success of US universities and position us to lead in this golden age. I will paraphrase again, “on the whole, US universities are not averse to being useful,” and this is one of things The Economist considers our strongest advantage, we are not averse to being useful. And secondly, we offer a broad range of subjects, and I quote them “no country but America explores such a wide range of subjects (including some dubious ones such as gay, lesbian, bisexual, and transitional-gender studies).” I am still quoting them...”however, what particularly stands out is the system’s flexibility and its sheer diversity.” Well, here we

see the limits of The Economist's view of the free exchange of ideas – free markets until you get to gay people or anything.

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BM: You know, it is interesting that it is deemed to be dubious to study what most conservative estimates take to be 10% of the population, but that is okay. Let us move on a different point they make, which you will love even more and that is: “one of the advantages of US universities over European is that we have strong administrations.” All right, so let us review the reasons...I am not going to comment on that either...let us review the reasons why US universities succeed: access for students regardless of background and ability to pay, mixed revenue sources, autonomy from the government, combined with state and federal support, a strong sense of responsibility to the public, the widest possible range of subjects, a sophisticated infrastructure for science, the free exchange of ideas with limits – that is the editorial – and a world-class faculty.

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BM: Well, I think this a description of a model of higher education pioneered by Ezra Cornell in 1865. Its primary features continue to define Cornell. The interesting thing is The Economist is talking about what American universities do as a whole. These are features on the whole among very different institutions. Cornell combines all these features in one institution, and that I would suggest is our strength and our biggest

challenge. For all of its enthusiasm, The Economist and I too worry about tendencies in American higher education to betray the very principles that have made us great. What are those betrayals? First, affordability that the cost is out stripping what the public can pay, especially the middle class. Second, scientists' departure from free and open inquiry, by which they mean the willingness of some scientists to delay or withhold open publications of their results to enter into commercial agreements. Third, the failure to be accountable for undergraduate education. And fourth, threats to meritocracy which come from two things – public resistance to paying the taxes it would require to keep pace with the costs of higher education and research, in particular, and the erosion of peer-reviewed competitive funding in favor of earmarks. I would add, keeping with their dim view of government control that increasing government regulations and unfunded mandates combined with the failure of research funding to keep pace with the cost of research are creating an enormous financial burden for research universities that we can barely afford to pay. And when you ask when faculty and staff and students ask, what accounts for the growing numbers of staff and administrative costs, unfunded mandates from the federal government really have to be a major part of the answer.

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BM: Now, because The Economist is the economist, it fails to highlight the growing problems with competition itself, competition in higher education: “which is a market that seems increasingly to me to suffer the distortions that our own economist Bob Frank would call the winner take all market or society, one in which disproportionate share of

rewards accrue to those at the very top of the pyramid engendering a rush on the part of every institution to be among the top two.” Now, having every institution be among the top two or three is not possible, and the effect of that effort has serious consequences. I am going to just list a few that bother me: one, the exteriorization or externalization of questions of value defined ever more narrowly and based on the top of the pyramid. A threat to the differentiation and variety of institutions that competition is actually supposed to support. And finally the driving up of costs by virtue of this winner take all form of competition, and these problems are deeply embedded in the culture. They require a set of perilous balancing acts that make the golden age feel a little less golden than The Economist would have us believe. Competition and students’ choice of a suitable institution for their education, for example, seems increasingly guided by US news and world report. The US news and world report rankings are something I usually refuse to talk about. When I report to the trustees, I usually say they are not important, we do not care about them, and I am only going to talk about the National Research Council rankings.

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BM: But, today, I am going to talk about the US News and World Report, partly because people have been asking about it, and actually because in spite of the fact that it does not matter it really does matter. Wisdom, the wisdom of Biddy! So, let us look at the US News and World report. The first slide shows you the measures and the weights that they use, and let me just say a few things about these measures and weights.

Academic reputation is the result of a survey of president's provost and deans of admissions. Now, I do not know how many provosts and presidents actually fill out this very long survey, but if I take Cornell as an example I would say not everyone. Faculty resources includes average faculty compensation, which is adjusted for the cost of living, percent of faculty with terminal degrees, and the student faculty ratio and class size. That is what they mean by faculty resources. Retention in graduation rate is the six-year graduation rate and freshman to sophomore retention. Student selectivity is acceptance rate, percent in the top 10 percent of their class of students who come, and SAT and ACT scores. Financial resources are the educational expenditures per student. Alumni satisfaction and giving is the proportion of undergraduate alumni who gave over a two-year average. And finally, the graduation rate performance is the six-year graduation rate compared to a predicted graduation rate, and I can tell you the Cornell does better than our predicted rate, for reasons that we are not going to go in here today.

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BM: All right, second slide. The second slide shows you the relationship between wealth and rankings, and this I think is pretty telling. There is not exactly a one-to-one correspondence between endowment per student and overall ranking, but there is some very strong correlation. Can every one see this? Okay. You notice, of course, that Princeton, Harvard, and Yale are categorically different from the rest of group when it comes to endowment per student and when it comes to the rankings. Stanford Caltech

and MIT form the next cluster and beyond that the correspondence begins to break down a little bit. By this measure, Cornell is the least wealthy of the bunch. But, if we impute the relative value of New York State support to Cornell as endowment principle, then Cornell's endowment per student would go up to \$327,000 or so, which would put us in 10th place just below Chicago. Now, does wealth influence rankings? It has been 11 years since a public institution cracked to the top 20.

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BM: In 1996, Virginia was ranked number 19. In the last 10 rankings, Berkley has consistently been the top ranked public university, and Berkley has not made it above 20. It has been 20 five times, 21 three times, 22 once, and 24th once. There is Harvard, Yale, and Princeton over the years, they have got a lock on the top three or four spots, it was obvious from the other side perhaps. Now, here is Cornell's overall ranking and the change over time. So, we started at 11 and now we are 12. Given all the changes in the way the US News and World report made the rankings, its methodology, it is hard to see what could explain anything before 1998, because of all those changes. And by the way, for this analysis, I want to thank Michael Mateer who put together an analysis of this for us for a panel he and I did back in the fall on rankings, and also I thank Ron Ehrenberg whose article on US News and World report rankings I reread before I came here.

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BM: The changes since 1998 are easier to explain. Now, you see that we ranked higher in 1999 than any other time, so you are wondering what we did well in 1998 or 1999. The thing is there was just an unforeseen and unusual confluence of circumstances that won't ever be repeated again, and here is what they were: that was the first year faculty salaries were adjusted for the cost of living. We made a change in how we reported the denominator in the alumni giving. Up until that point, alumni affairs and development had considered all undergraduate alumni after this, and this year we started reporting only those who graduated, who had a degree. And what that meant was that our rate changed from 27% in the previous year to 35% in one year, and that improved our ranking on this measure from 40th to 16th. So, you see how easy it is sometimes with a small change to make a big difference.

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BM: Cornell's ranking in 1999 was also attributed to an error in the US News and World report on faculty-student ratio. Actually the funny part of that, now that you laugh is that it was an error that Michael Mateer in Institutional Research and his colleagues tried to point out to them twice before they went to press, and they refused to change it. So, we benefited from their stubbornness. In 2002, classes with only one student were eliminated from consideration, and in 2007 classes with fewer than 20 students increased at Cornell, and classes with more than 50 decreased. So, these things contribute to the rankings. So, what else contributes to the rankings? Here is Cornell,

Penn, and Wash University bouncing around together. Penn has risen. Now, why has Penn risen in the rankings? Primarily, because of faculty compensation and student selectivity. The faculty compensation has two dimensions: first, 20% of Penn's faculty here are in the Warden School. Well, I am going to tell you in a minute what it would take for us to replicate that.

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BM: So, that drastically drives up faculty salaries. Second, Penn benefits, because of the one-timer index which shows that living in Philadelphia is only marginally more expensive than living in Ithaca, and Penn's rise in the rankings also coincides with a big push on their part to go with early decision and to aggressively use the wait-list, and what does that do for an institution using early decision and going to the wait-list? It contributes to a significant decrease in the acceptance rate which accounts for a lot in US News and World report. Now, the Warden factor also plays another role, and that is that 20% of the undergraduates at Penn are in the Warden School and the Warden School lets them compete head-to-head with Harvard, Yale, and Princeton for students with the highest SAT scores, in a way that other programs would not. As for Washington University, their rise is almost entirely associated with student selectivity. They had a dramatic increase in the number of applications. We don't know why? No one is able discern it. But, in addition, their reported SAT scores went way up. They increased at a rate much higher than ours and other peoples and that has to do in part

we believe with their use of merit aid, which we do not use, their use of merit aid and they are targeting of high SAT scores.

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BM: Okay, so how could we improve our rankings if we wanted to do better in US News? Short of blatantly manipulating data, which we would not do. I know some of you are chuckling, but this is an amazingly clean place, thank goodness. Okay, we could increase the number of alumni donors. To surpass Princeton's alumni giving rate, an additional 35,000 Cornell alumni would need to contribute, and that sounds like a lot, but it would not be that hard because they would only have to give a dollar. That is all you have to give, a dollar. You could increase the undergraduate admissions or applications and admissions to match Harvard's 9% acceptance rate, and this is the thing of which we are supposed to be proud, how many people we can reject, most of whom have the exact same qualifications. But, anyway, if we want to match their 9% acceptance rate, we need to attract 77,000 applicants, which would be an increase of 44,000 over the number we get now.

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BM: We could use early decision more. If two-thirds of the class came in through early decision, our acceptance rate might drop to 18% or so, but we have made a policy that we won't take more than around a-third early decision, because we think it is unfair,

even though a good way to build your deal with acceptance rate and yield. We could increase the proportion of business in law faculty. How many of you like that idea? Stewart? Okay, I knew we would have some takers, but here is what it means for the rest of you – an increase of 250 faculty in The Johnson School, for example, would make our situation comparable to Penn. But since I don't think we are going to get 250 endowed professorships right away to allow us to do that, that is going to mean eliminating the equivalent of all faculty in architecture and planning, hotel, IOR, and human ecology, and plus another 20 faculty. So, that is essentially what it would take and that does not seem like the best idea in the world to me.

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BM: We could decrease undergraduate enrollment of course. We would need to cut the undergraduate student population by more than half if we wanted to match Princeton's 5:1 faculty student ratio. We could increase the size of the faculty, we could add 1100 faculty to the 1200 in the 7 undergraduate colleges and then we'd match Princeton's 5:1 ratio. We could increase the proportion of classes with fewer than 20 students, and here is how we could do that: if enrollment in classes that currently have between 20 and 29 students – there are 288 such classes – were capped at 19 students, the proportion of courses with fewer than 20 would increase from 61% to 75%, only behind Yale at 77%. And if we made all single student enrollment courses, independent studies, have at least two students we would go into the mid 80%. Okay, do you want to do that? Yeah? Well, we can talk.

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BM: Any institution that wants to increase its ranking could improve graduation rates, retentions rates or the proportion of faculty with the highest degree, or the proportion of full-time faculty, but Cornell already does as well as any of our peers including Harvard, Yale, and Princeton at those, so there is not much wiggle room. The final slide – this is how Cornell ranks according to US News and World report in some of the other domains, not just as an overall national university, but in some of the other areas. Now, our deans work as hard as they can in these areas to optimize how we do in the ranking, within what they consider to be ethical and common sense constraints. The truth is, in general, these rankings are largely based on wealth and to a lesser extent on ways of manipulating and maximizing data. I would say that US News and World report does a fair job of identifying a top tier of institutions that have the financial capacity to create the conditions for great research and teaching. It doesn't guarantee that they will and it doesn't do a good job of comparing, whether they do or they don't.

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BM: Within that top tier, the relative rankings are not useful, and I don't think we should make it our goal to game the system or to follow the leaders. Our goal is to remain worthy of being recognized as a top tier world-class research university that creates the conditions for the most rigorous and original scholarship, the best education

available at a comprehensive research university for undergraduates and graduates, and a research university that translates our research into solutions. We can worry about our rankings or we can be who we are and define our value in our own terms taking advantage of what makes Cornell unique, or we can do a little of both and I suppose that is where we are. Now, we tried this past year to do something that we thought had merit, and it was really good for Cornell as an institution, and that was to increase our financial aid. And I want to talk about the complexities of that in the context of this question of value and rankings and the reception.

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BM: Now, in January, as I think most of you know, our board of trustees with their help, we announced that Cornell would enhance its financial aid packages, eliminating loans for students from families making \$75,000 or less, and capping loans for students from families making between \$75,000 and \$120,000. These enhancements are going to be funded by an increased rate of payout from the endowment, by the reallocation of funds that we currently use to provide preferential packages for students we try to recruit, from fund raising and from other university funds. We worked really hard to make these changes possible, because we came to believe that our students were being overburden with debt on graduation and we were worried that they were making job and career choices on the basis of that debt.

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BM: We also recognized that their families have seen the purchasing power of their dollars decline, and I am delighted that we found a way to help our students and ensure a diverse and talented student body. Here is a slide to show you that we were not suffering when it came to applications to Cornell, so lest do you think that we needed to do this because we were losing students. We were not. On the contrary, our rate of increase in applications is the among the highest in the United States. What was happening, however, and there was a Sun article recently that pointed this out...by the way I congratulate the Sun for having taken on some other more serious issues that we are contending with this year, and I want to show this slide so that you see that in absolute terms Cornell is way up their in the number of Pell Grant recipients that we enrolled, and we are very proud of the economic diversity at Cornell. But, this shows you that our Pell Grant recipients have fallen over the past few years. That is partly because of a change in the way the Pell Grants are awarded, but it is also partly real, and you will see Harvard's number of Pell Grant recipients has increased.

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BM: We believe that has something to do, or perhaps a very great deal to do with the financial aid incentives and enhancements that Harvard introduced a couple of years ago, and which they have amplified recently. So, we are proud of what we have done and here is the impact. If you look at what will happen for our students, this is for a student from a family making \$50,000, and here is your before and after slide.

Essentially, prior to this new program, we have started the estimated debt of graduation would have been \$22,000. This is kind of average standard package, and it will now be 0. For a student from a family making \$120,000 or less, the estimated debt of graduation will go from \$24,000 to \$12,000, because loans will be capped annually at \$3,000 for those students. So, that is what we have aimed to do and are doing and will do.

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BM: Now, I want to tell you that delight was not the only thing I felt when we made this announcement, which came on the heels of similar releases by other institutions and it came right ahead of even more releases by some other institutions about increasing financial aid. It also came in the context of growing pressure on the part of the government for us to make education more affordable using endowment, replacing student loans with grants and parental contributions even with university funds. These announcements, especially Harvard's and Yale's, have been hailed by Senator Grassley and others as appropriate responses by colleges and universities to the rising costs of higher education and growth in university endowments.

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BM: Together with Senator Baucus, Senator Grassley has sent letters to 136 colleges and universities with endowments over \$500,000, asking for detailed information about

how endowments are managed, what portions of the endowment are spent each year, how much of the endowment is used to pay for student aid. And much of this information is information that we make available anyway, we had it, we put it together and, as I say, much of it is available to the public. In any case, the real concern is how it will be used, this information, once its gets to the senators and their staffers. Here is a very major concern I have, and that is that the underlying assumption seems to be that any endowment over \$500,000 or perhaps \$1 billion should be adequate to allow the university to shift funds to financial aid or even to reduce or eliminate tuition. Meanwhile, the cost of educating a student continues to rise and outstrip tuition, the costs of research are growing even more dramatically, the government's share of funding for research is going down. We believe in the importance of combining the two – that is education and research, and we also believe that those who can afford to pay tuition the sticker price should.

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BM: The decisions that Cornell made were greeted by some with the comment that they were good but they weren't the best. Well, they weren't the first. I think they might have been the best, and I will tell you why. Given a complex set of circumstances and variables and taking into account more than money, I think they might have been right. The decision that Cornell made and the decisions that other privates have made, have the potential to threaten what we have come in my office to call the three-legged stool that has supported higher education in this country and made it flourish. Support for

higher education has been a partnership forever. The Economist pointed this out, but we know it well. With investments from State and Federal Governments, from families, from students themselves, from universities, and the decision not only to eliminate loans, which I think is a good decision, but even parental contributions or to eliminate tuition for certain students strikes me as a worrisome trend.

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BM: It signals a shift toward an unbalanced two-legged stool, perhaps even a one-legged stool. What will it mean going forward for the nation for its universities to have government and perhaps even family support for education becoming an increasingly smaller component of student aid, while universities are asked to pick up the slack? And at the same time, universities are discouraged and as some had their way we'd be prohibited from raising tuition. How is that going to change the nature of education in the public's investment in it? How is it going to change the nature of our programs and our outreach and our public service? Do advocates of using endowment to cover the cost of attendance really want to see less investment in research and teaching? As The Economist points out, to be what they call a global world class university in the top tier requires quite a lot of investment, and we can't afford to be one of those institutions and use so much of our endowment to cover the cost of attendance.

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BM: So, these new policies are meant to increase economic diversity at the elite colleges and universities and that goal is laudable, but the number of students who are educated at these elite institutions is a tiny fraction of the total number of students in the United States who seek post-secondary education. And I ask whether these changes are going to have effect of making higher education more affordable for students overall? Not if they are used to support the idea that colleges and universities cost too much, because we are wasteful or because faculty are sitting around twiddling our thumbs. Not if they are used to suggest that Federal and State Governments can take a pass or stay where they are when it comes to student aid and research support. Not if they are taken to suggest that tuition does not need to rise in the future or that it not even be charged. And not if they do away with a common approach to defining need and lead instead as they already are doing to a mad rush among elite universities to be the highest bidder for certain students regardless of need, whether they are athletes or students with other talents and qualifications.

(00:43:39)

BM: What we are seeing is total breakdown of the consensus approach where colleges and universities try to define need in ways that were similar to one another, precisely in order to avoid the damaging effects of the kind of competition where we forget need and forget trying to regulate ourselves responsibly. The President of Harvard was quoted apparently incorrectly this year as saying that very few universities are going to be able to afford to do big science in the future, and that other research

universities, state schools in particular should perhaps concentrate on the humanities and social sciences. Now, in response to outrage on the part of the big 10 university leaders, Professor Faust made it clear that that is not what she had said, that her remarks have been taken out of context, and she emphasized the importance of science and science infrastructure on big 10 campuses and other state universities. But, I think a question remains about which universities will be able to afford what range of subjects going forward and what universities will be able afford the science infrastructure that has made Cornell so great; for example, in addition to its strengths in all the other disciplines.

(00:44:51)

BM: Why by the way I ask myself, did none of the privates include in our announcements about this increased financial aid a desire to offer the kind of deal that some of the best publics have been offering forever? I think we have done the best thing for our students given the situation in which we find ourselves – the cost of education, the failure of government's share to keep pace with costs, the failure of low and middle incomes in the United States to grow in real terms or have their purchasing power increased. But, the demands on universities to be all things to provide first rate education that will lead to well-paying jobs, generate innovative research that will address urgent social problems, spur economic growth, contribute to the economic development of our surrounding communities, internationalize, commercialize our discoveries quickly and profitably, and sustain not only ourselves but the rest of the

world. These things are simply not compatible with the idea that higher education can cost cause significantly less or be subsidized primarily through the university's own funds.

(00:45:57)

BM: To remain a top tier university, we really need the funds that the government is at this point not coming through to provide, because of other constraints on their resources obviously. But, I think really we failed to discuss these developments and their implications nationally, seriously, at our peril and at the peril of the public, and I wonder whether we couldn't at Cornell find some way of engaging our government officials in a serious discussion of the policy implications of what they do on a case-by-case basis. Will they attack one issue at a time without putting it in the larger context of what higher education is really meant to do and asked to do and what we want to do, and I believe that the absence of a really serious discussion about the changing funding model or financial model for higher education is a serious problem.

(00:47:01)

BM: We have here in Ron Ehrenberg one of the most respected economists researching higher education. We have a lot of talented people in the faculty and in the administration. We have some connections with Washington and Albany. I wonder if we couldn't call or enable some kind of summit where we could get our government

leaders to talk with us for more than 5 minutes so that we could establish a context within which to discuss what I think are perilous issues in the midst of the golden age. Now, I was going to talk a little bit more about the matter of undergraduate education. I covered it last year. I think that I will limit myself today simply to making a couple of announcement-like statements, and that is you remember last year I talked about Margaret Spellings and her commission on higher education, the call for greater transparency and accountability.

(00:48:03)

BM: In the meantime, the pressures on universities have receded a bit. The accrediting agencies won in their fight for certain autonomy in their assessment of higher education institutions. Nonetheless, the National Association of State Universities and Land-Grant Colleges, NASULGC, of which we are a part came up in the meantime with what they called a voluntary system of accountability, which they asked their member institutions to sign on to, and Cornell being one we were also asked to sign on to it. And we studied this voluntary system of accountability, which has as its goal greater transparency and accountability, and in the end we had decided after a lot of work, President Skorton and I, that we will not sign on to the voluntary system of accountability and the reason we won't is because of its recommendation, in fact requirement, that we use standardized testing to assess students the value added to students when it comes to really complicated quality such as critical thinking, communication, and analytics.

(Applause)

(00:49:15)

BM: Thank you very much, I didn't expect to get applause for any of this. That is our decision and we are sticking to it. But, in the meantime, we are – and this will not get applause I think or I hear from my faculty friends it hasn't got an applause – we are taking other steps to try and ensure that we are being as accountable as we can be. Those include measures to use student evaluations, more systematically they include decisions to mandate peer review of teaching for tenure cases as a way actually of enforcing the building of teaching cultures in our departments and the taking seriously of undergraduate teaching.

(00:50:00)

BM: I met a week ago with the vice-presidential fellows who are among our best teachers and scholars in the university and discussed with them some additional ideas they might have about what accountability could mean or how we want to define its value and its content. It was a wonderful discussion. The indomitable Ted Lowi arguing very vociferously that it is not possible to guarantee outcomes and that the only way to frame these things is to ask ourselves whether we are creating the conditions for learning. And what we then did was generate a list of the kinds of things that we think

would constitute the conditions for learning. I will talk more about this in subsequent speeches. I did want to let you know that we are moving on that and asking your cooperation through the deans to do some of the things that we think amount to a form of accountability that has integrity.

(00:51:02)

BM: So, what is our strategy in the face of the kinds of constraints and pressures that I have been discussing? Well, as I said before, I think our strategy at Cornell really is to be Cornell and to engage with what is going on around us intelligently and forcefully. Our strategy is not to become less competitive. I don't want to leave you with the impression, by virtue of what I have said here today, that I think competition in itself is a bad thing. On the contrary, I think that I am in the room with some of the most competitive people in the entire world, and I include myself in the group. What I think we can do is compete on the basis of our strength and our values, that is compete with integrity which I believe Cornell has always done and which has stood us in good stead.

(00:51:52)

BM: I think we can stop worrying whether we bounce around from one space to the other within a top tier of great universities and can focus on how we can create the conditions for the kind of rigorous outstanding research teaching and outreach for which we are well known. That is what I would like to see happen. I would like to see in

general less externalization of our values and aspirations and remember that none of our expansive projects can succeed over time if our fundamentals are not strong, and among those fundamentals is a sense of what we value, not completely without regard to what others value but certainly with her own values first and foremost in our minds. The relative disappearance of a focus on what is internal and fundamental is not just an institutional problem at one level. I think that there is a kind of lack of attention to interiority generally, by which I mean the relationship we have to ourselves, and I believe that education is letting us all down when it comes to that.

(00:53:04)

BM: I am not talking about interiority in the form of naval-gazing or individualism in the sense of some sort of asocial obsession, but I am talking about the value of awareness and individuality, the development of individuality and the development of the ability to integrate, what we take in and what we establish as our own. I think we owe it to our students to model those things. They require engaging with the world and with other people, but they also require that each of us engage with the person that we are in the process of becoming, and that we give our students the tools to engage with themselves as the people that they are becoming to. It is a combination then of wired connectivity and super-fast pace on the one hand, which our students require of us and we require of ourselves, but also the ability to take space and time in the midst of the gold rush for contemplation and reflection.

(00:54:05)

BM: Our university in its surprising combinations has always offered both, and I hope it always will. I am going to end with a little video clip...sorry, I didn't get to everything I thought I might show you. I am going to give you a video clip, because it is more entertaining than I am, and it is from a panel discussion that I led in New York City called Meeting of the Minds, it was an alumni event. We gathered this group of faculty and asked them to talk about some of the most pressing issues of the day, and the universities' role in addressing them, and at that very end of the panel I turned to these faculty members and I asked them simply why Cornell, what is about Cornell that makes their work possible? And I am just going to play you what they said and here is what I want you to think about – what ranking system could possibly measure or come to terms with the answers to these questions?

Male: When I first came to Cornell, I knew very little bit about Cornell other than it is a great university with great people. And when I took off my bureaucratic hat and put on my professorial cardigan, I was terrified that I had no access to important policy makers in countries like China and India. It turns out, and this is something I'm beginning to realize more and more that Cornell has very deep tentacles across the emerging market and these are very benign tentacles, the work that Susan and my colleague Chris Barrett have been doing in various parts of the world looking at food, food-aid and so on, work we've been doing in terms of developing agricultural products, work we have been doing in terms of improving economic knowledge in these countries, has really

given us a wonderful base to get back to one of the themes I talked about, which is bringing together academics and policy makers and trying to solve these problems together.

(00:56:02)

Male: Cornell is of particular importance to some people in the sciences, because the statement is often made that if you are historian and if you are at a reasonably good university you can be anywhere, because you will have your library, you will have your resources and you can do your work. However, for me in my relatively short-time at Cornell, it has been just a marvelous experience intellectually and in terms of what I have been able to do in my teaching both of undergraduates and graduate students, and I think there are two quick things that I would mention: one is the interdisciplinary focus that we bring certainly in the arts college, which has given me an opportunity that I didn't have at my previous institution, which shall remain nameless; two, engage with other humanists, to engage with people in the social sciences. I send my graduate students and my undergraduates to government classes, for example, since I teach American foreign policy, it is natural connection. But, it has been so important to me that interdisciplinarity and to give particularly my students that opportunity. And then one thing we haven't talked about tonight, which is I think probably more important to me and to Biddy than to anybody else is the superb library that we have. And I do not know that it is often recognized just how good it is, and I have been to all of our competitors' libraries, and certainly in the kinds of things that I am interested in ours is

right up there and it is a great facility, needless to say for those of us who are in the faculty, at least in the arts college and who use it a lot, but of course our students as well. So, it has been a wonderful intellectual experience, and again even as a humanist who I think could do my work in many different places, it has been special.

(00:57:56)

Male: Why Cornell because Weill-Cornell represents an opportunity in an institution which is facing the future with strength and vision, and it is part of a great university and I am happy to say after four decades at Weill-Cornell I am beginning to see a very meaningful attempt that is now bringing real results of trying to shrink the 230 miles or so that exists between Ithaca and New York, and I think as this distance shrinks just the way the world has shrunk, the strength and power of the biomedical sciences and the synergies that exist on both campuses will bring distinction to the institutions and most importantly help us deal with one of the great problems of the 21st Century – health and human disease.

(00:58:48)

Female: Years ago it has been said that Microsoft was influenced by the statement Cornell is wired, that we were ahead of the pack and all of a sudden they realized what the world looked like. I think for me the reason why Cornell is because the whole university is wired. It is a great place to work. We really are very interconnected and I

think the business school is a good example. We are right in the middle of the university, and I think we are there for a reason because we can't train people to do what they need to do. We cannot fulfill our mission as being a top graduate school of business if we are not able to draw on all of the expertise of the university, and this is not the view taken by some of our more famous business schools who are happy to be on their side of the river. We are happy to be right in the middle.

(00:59:36)

Male: For me, it is first and foremost our students, in fact largely our undergraduates, the kinds of students like the ones who are on this DARPA Urban Challenge Team that Bidy mentioned, I was one of the faculty co-advisors who came into my office with the tenacity to say "we are going to put together a vehicle that is going to beat everybody else out there and wouldn't take no for an answer," you know, I probably spent 20 hours a week for an entire year working on this project, not having planned to do it and on top of everything else, and so the kinds of students who have the enthusiasm and tenacity to drag even to the impossible.

(01:00:09)

Female: I feel and the way I think about it is, if you have to look around the world, if you had unlimited choices but you know what you want to do, the reason you are going to choose an institution is because it empowers you and because it allows you to

empower others, and for me that is what Cornell is all about. It empowers our students, it empowers our faculty, our staff, and I want to say that it's a wonderful institution in the way that the administration allows it to be governed from the bottom up, and that for me is really important. So, I hope that people who are affiliated with Cornell and continue to be, as many of you in this room must be or you would not be here, realize that actually Cornell is not a resident experience. It is all of us all over the place who continue to see it as form of empowerment, thanks.

(01:01:08)

Male: My colleague has spoken very eloquently about Cornell and why Cornell, and I think I can't add anything to it. But in one way or another way, we all got on a bus to come here and I think that's the matter for road as I see it, a road of distance proximities, and that is the relationship between Ithaca and the world. I do not think the world is just shrinking, it remains distant and yet it is one world, and I think Ithaca is a very good place from which to engage that world.

(Applause)

BM: Well, you may not all share those views entirely, but they certainly are eloquent testimony to why that group of faculty feels they can do their work here. I want to thank you for listening to me for so long, and I am happy to take any questions or comments you might want to make. Thank you.

(Applause)

(01:02:36)

BM: Well, you do not have to. Here is a questionnaire.

Male: Hi. It was an honor listening to you speak, and I note we've mostly been talking about Cornell's internal affairs, but I was wondering what initiatives has Cornell taken to really open up education to people here in Ithaca and upstate New York and also throughout the world online. I know we are starting to put some of our lectures online, but one thing I noticed was on the iTunes they have this thing called iTunes University, and I noticed that Cornell wasn't there but a lot of our big competitor universities are there. So, I was wondering what initiatives the university has taken to really open up education to the masses.

BM: That is an excellent question. First, I want to say that many of you have heard very little for years, I am guessing about eCornell, eCornell was our online venture started about eight to nine years ago, I think now, which had a rough start but which has carved out several crucial niches for itself and is now offering courses in 130 different countries, one of the few university generated online programs that has actually sustained itself and is now succeeding. So, that is the first thing I would say. It is true that the courses and programs and the certificates, because it is non-degree granting

set of programs, but the programs offer through eCornell are fairly narrow in range compared to what we offer generally. We haven't yet done anything on the scale that an MIT, for example, or others have done to put syllabi and courses and lectures online. I think it is a very important idea and I know that there is a lot of faculty interested in doing it. It will take the people power simply to get some of it done. I noticed too on YouTube now that I have an iPhone and I use YouTube as a way of falling asleep at night that...aren't I cool? I noticed too that we are not on YouTube, we are not represented on YouTube in the way some of the great faculty scholar teachers from other institutions are, and I really think we need to be there. So, I am not now reflecting everything we are doing but I think those are the primary things.

(01:05:06)

BM: It is also important to say that in our school of continuing education, which is lead so ably by the wonderfully Weiss and unbelievably funny Glen Altschuler, there are increasing online courses and programs including relatively new one in the engineering that Glen has collaborated with Ken Fox on providing. So, we are getting there but I would agree with the implicit statement in the questions that we could be doing more and should. No other questions? I am happy to release you, thank you.

(Applause)

(01:06:15)

(END OF RECORDING)

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