

The Second Decade

State of the University of Nebraska 2011

James B. Milliken, president

The first decade of the 21st century was marked by transformational growth and momentum for the University of Nebraska. By every meaningful measure of quality, we made significant progress: in enrollment, research funding, private support, student achievement, facilities, leadership, academic programs and global engagement.

As I look ahead to the second decade – culminating with our university’s 150th anniversary in 2019 – I believe that this is our time. We are positioned as never before to have a positive impact on the lives of all Nebraskans, on our state’s economy, and on our nation’s competitiveness in the global economy.

By the end of this decade, I believe that we will be a much larger university, with each of our four campuses serving as a regional hub of innovation. We will be known globally for our expertise and research in early childhood development, the management of water for food production, alternative energy, rural revitalization, cancer research and other areas as yet unexplored.

Our students and faculty will be participating in international educational and research experiences in record numbers. We will be viewed as a leader and an innovator in online education. And – as we have for almost 150 years – we will be providing Nebraskans the opportunity to improve their quality of life, contribute to their state’s vitality, and be active and successful participants in the global economy by continuing to offer them a high quality, affordable education.

We can achieve this new level of engagement and influence in our state and our world because of the groundwork that has been laid in the past several years. I believe that the University of Nebraska has been transformed by:

- Our commitment to focus on and leverage our strengths;

- Strong, capable leaders on the Board of Regents, University of Nebraska Foundation and on our campuses;
- The establishment of, adherence to and consistent measurement of strategic goals;
- An extraordinary level of support from donors, including alumni and friends who want to invest in a successful enterprise and believe in the potential of the University of Nebraska;
- A relatively stable base of state support, including strategic investments in renovation and construction of facilities under LB605;
- The establishment of programs like Collegebound Nebraska, OnCourse and Online Worldwide that are focused on improving access to education for all Nebraskans;
- The recognition, both within the University and among policymakers and other stakeholders, of the importance of attracting talent to Nebraska as seen in record numbers of non-resident, minority and international students and in our success in recruiting top faculty from throughout the world; and
- The emphasis on building a culture that encourages and celebrates success in research, entrepreneurship and innovation.

Because of this groundwork, some things have happened that we could not have imagined at the beginning of the decade. For example:

- The legislature agreed to transfer the former State Fairgrounds to the University for the development of Innovation Campus, an exciting public-private initiative that has significant potential for advancing new knowledge and creating new jobs.
- Our research funding has nearly tripled in the past 10 years, contributing to a growing reputation in the research community.
- Our enrollment is at a 17-year high, with nearly 50,000 students from throughout the world.
- Under our Collegebound Nebraska program, some 6,000 lower-income Nebraska students attend the University of Nebraska and pay no tuition.

- The University of Nebraska was invited to join the prestigious Big Ten Conference and become a part of the Committee on Institutional Cooperation, which will open even more doors from research, recruiting and innovation.
- Since 2000, the University of Nebraska Foundation has transferred more than \$1 billion to the University for scholarships, faculty support, academic programs, facilities and research. And in the last five years alone, we have raised more than \$900 million toward a goal of \$1.2 billion in the Campaign for Nebraska, including major gifts in the areas of water for food, early childhood education and agribusiness entrepreneurship.
- Investments of public and private funds have greatly improved classrooms, libraries, residence halls and research laboratories as well as greener, more energy efficient buildings.

This is our time. We will use this momentum to undertake bold new goals for the coming decade, so that when we celebrate our 150th anniversary, we will be a different institution – an even better institution – participating in more meaningful ways in the economic and educational life of our state and the world. Our role, and the role of other public universities in the U.S., has never been more important.

America's competitiveness challenge

Today, a great deal of attention is focused on the current economic situation in Nebraska and other states. And that is appropriate, because the challenges are significant. But we can't lose sight of the bigger picture ... the more pressing, longer-term issue of declining U.S. competitiveness in a global marketplace and what is being done to position Nebraska for long-term business growth and economic success.

In the past decade, a number of global demographic and economic shifts have made it imperative that we implement strategies to maintain a leadership position in the world economy. These strategies are inextricably tied to the education we provide and the research we conduct.

By the end of this decade, the world is projected to have 7.5 billion people – and fewer than 5 percent of them will live in the United States. China alone will have one billion more people than the U.S. and India will be very close behind China. The continued expansion and increased sophistication of technology, coupled with significant investments being made in educational

infrastructure by developing nations, will change the competitive global landscape in ways we have not yet imagined.

The combination of population growth and new opportunities created by technology has, in effect, quadrupled the global workforce in the last 25 years. It is a workforce that is educated, innovative and – at least in the short term – willing to work at a much lower salary than Americans. As a result, U.S. workers compete for jobs not against their neighbors down the street or elsewhere in the country but against increasingly well-educated, highly skilled people from around the world. And we are not keeping up.

The signs are clear that America is losing its competitive edge:

- The U.S. has now fallen to 12th in the world in the percentage of 25- to 34-year-olds with some education beyond high school.
- We've dropped to 20th among industrialized nations in high school graduation rates and 16th in college completion.
- The U.S. graduates 155,000 MBAs every year ... and only 8,000 PhD's in engineering; two-thirds of those 8,000 are not U.S. citizens.
- China has replaced the U.S. as the largest exporter of high technology.
- In just five years, we have dropped from 12th in the world in the density of broadband Internet penetration to 22nd.
- And, US federal government funding of R&D as a fraction of the GDP has declined by 60 percent in 40 years, leaving us well behind Japan, South Korea, Sweden and other nations.

In 2005, the National Academy of Science, the National Academy of Engineering, and the Institute of Medicine were asked by congressional leaders to identify strategies to ensure that the United States could more successfully compete, prosper, and be secure in the global community of the 21st century.

Their conclusions, presented in a report called *Rising Above the Gathering Storm*, were that the educational, scientific and technological building blocks critical to America's economic leadership were eroding at a time when many other nations were gathering strength. And further,

that our best hope for competing successfully lay in optimizing science and technology and in creating an environment in which innovation and entrepreneurship can thrive.

Last summer – five years later – the same group of leaders examined our progress ... and the results were discouraging. They found that the outlook for America to compete for quality jobs has further deteriorated over the intervening five years, and that other nations have made advances in knowledge, innovation, education and infrastructure – many of them based on recommendations in the original report – and gained a competitive advantage.

The report identified three “primary ingredients” of innovation that can help us recover our competitive leadership: new knowledge—or knowledge capital; capable people—or human capital; and an entrepreneurial environment in which to foster innovation.

Building knowledge capital, human capital and an environment of innovation are fundamental to the core mission of American public universities. However, success will also require the active participation of leaders in business and government. Only if we take significant actions soon will we maintain the standard of living that we enjoy in the United States, and pass that on to future generations. Only if we adapt now will we increase the number of high-quality, high-paying jobs in the U.S. and regain a position of strength in the global economy.

And while dramatic action is a national imperative, we can move the needle more quickly in Nebraska than in Washington. Our economic situation is better than many other states, our only public research university is riding a wave of momentum, and we have business and political and educational leadership committed to success. The University of Nebraska can and should play a pivotal role in building an innovation-based economy that will help secure our state’s long term economic future.

Knowledge Capital

The advancement of fundamental knowledge through basic research is a role once played primarily by American industry. That is no longer the case. Budgets for basic R&D are increasingly at risk when corporate profits decline, and the research that is being done by industry is increasingly moving overseas. According to the National Science Foundation, U.S.-based companies now have 23 percent of their R&D employment abroad.

As a result, universities have increasingly become the de facto R&D base for the private sector. In 2009, U.S. academic institutions spent more than \$57 billion on research, and were responsible for more than 55 percent of basic research performed in the U.S. Public universities represented almost 70 percent of those research expenditures.

The University of Nebraska is part of this trend, and we have advanced our research enterprise significantly in the last decade. Ten years ago, external funding for research across the university totaled \$91 million. In 2010, we nearly tripled that, with over \$260 million in external funding. We are now among the top 35 public universities in total expenditures for R&D.

The momentum that the University enjoys in building knowledge capital is not an accident. Important seeds were planted two decades ago with the creation of the Nebraska Research Initiative, which has resulted in growth in research that has outpaced the national average. Since NRI funding began in 1988, our research expenditures have increased by 363 percent compared to 286 percent nationally. NRI funds have built outstanding core facilities that help us attract faculty and secure research grants, and these funds have been invested in research with promising commercial potential. At the same time, private support has allowed us to build first class research facilities such as the Durham Research Towers in Omaha and the Morrison Life Sciences Center in Lincoln.

University of Nebraska research has also benefited from the leadership of Sen. Ben Nelson, who has been our strongest advocate for a USDA Agricultural Research Service facility on Nebraska Innovation Campus. He secured \$6.2 million in planning and construction funds for the facility and continues to work toward its construction despite the current anti-earmark climate in Washington. He has also championed University of Nebraska research through support of the Experimental Program to Stimulate Competitive Research (EPSCoR) and Institutional Development Awards (IDeA) programs.

Sen. Nelson has been instrumental in supporting funds for the Space Law program, nanomaterials and high-intensity laser research, development of in-vivo surgical robots and tissue regeneration research, collaboration software, cybersecurity research, and funding for new planetarium equipment and solar cell research. These investments have been leveraged into

collaborations and more funding on all of the campuses with the Department of Defense, Department of Homeland Security, STRATCOM, Department of Energy, and private industry.

We have strong momentum in research, but we are far from a leadership position in the development of knowledge capital, and our competition is not Iowa, Colorado or the Big Ten. It is across the globe in countries that are hungry for economic success and will invest whatever they can to achieve it. We must pursue a more aggressive strategy for building research capacity, partnering with the private sector and seeking new opportunities to move promising research into the marketplace.

Human Capital

Equally important is the role of universities in developing human capital. Thirty years ago, the United States had 30 percent of the world's college students. Today, we are at 14 percent and falling. Our current ranking of 12th in the world in post-secondary attainment among young adults demonstrates that the investment that needs to be made to build a competent, career-ready workforce for the future is lagging.

In Nebraska, we have long enjoyed one of the highest high school graduation rates in the country, but we have not been able to sustain that leadership in overall educational attainment. Nebraska now ranks 18th in college-going and only 23rd in the percentage of people with at least a bachelor's degree – 27 percent.

Under the leadership of Gov. Heineman, Sen. Greg Adams, Education Commissioner Roger Breed and others, Nebraska's P-16 Initiative has set bold goals for Nebraska's educational future. These include a common core curriculum, increasing graduation rates to 90 percent, being a top 10 state in college-going, maintaining affordable access, increasing the number of teachers in the STEM disciplines and improving college graduation rates and time to completion.

The stakes are high, both for individuals and for the state. More and more of today's jobs – especially high-demand, high-paying jobs – require education beyond high school. A new report from Georgetown says that two-thirds of the jobs created in the next decade will require at least an associate's degree – and ranks Nebraska 7th in the nation in the percentage of jobs in 2018 that will require postsecondary education.

If we can't provide a workforce that has the education and skills necessary to meet the demand, high-quality jobs that could have located in Nebraska will go elsewhere – along with the talented young people who are key to our state's economic success. And the jobs won't just go to Austin or Denver or Chicago ... they'll go to Mumbai or Sydney or Beijing.

An environment of innovation and entrepreneurship

The third strategy identified in the race to increase competitiveness is to create an environment that promotes innovation and entrepreneurship. In their book, "Engines of Innovation: The Entrepreneurial University in the 21st Century," Holden Thorpe and Buck Goldstein argue that university innovation is not just desirable, it's a national priority. They make the point that research labs, classrooms and innovation centers are reservoirs of enormous talent and are the places where great ideas are created and realized. Universities, especially public research universities, can play a unique and important role as hubs of innovation. The key to building knowledge capital and human capital is bringing entrepreneurial thinking to every aspect of the university.

Carl Schramm, who leads the Kaufmann Foundation – the largest foundation dedicated to entrepreneurship – has said, "For the United States to survive and continue its economic and political leadership in the world, we must see entrepreneurship as our central comparative advantage. Nothing else can give us the necessary leverage to remain an economic superpower."

This is an area in which there is plenty of room – and potential – for growth at the University of Nebraska. We must create a true entrepreneurial culture – one that provides opportunities and encouragement for our faculty and students to participate outside the institution, and opportunities for people outside the institution to become involved with our programs and priorities. While we may think that donors, business leaders and others who invest in the University don't really understand how things work in academia, it is almost always true that when we are pushed and pulled in new directions or at speeds we might not otherwise adopt, we are better for it.

We do, of course, have to maintain a sharp focus. We've identified the themes of food, fuel and water to frame our activities at Innovation Campus and we carefully selected six priorities that are the focus of our current \$1.2 billion capital campaign: water for food, agriculture and life

sciences, cancer research, early childhood development, information technology and business, and architectural engineering. These represent our strengths as an institution and by leveraging them, we have enormous potential to have an impact on the economy of Nebraska, and to improve the quality of life in our state and throughout the world.

The Second Decade

As we move into the second decade of this century, the nation faces significant fiscal challenges. Across the U.S., public institutions continue to suffer the repercussions of the economic downturn and resulting decline in tax revenues. Many public universities have been forced to make difficult choices that include substantial increases in tuition, elimination of academic programs, reductions in faculty and staff and, in some cases, turning students away.

Nebraska is not immune to these challenges, but we have been largely insulated from the worst consequences thanks to conservative fiscal management, the current strong demand for agricultural products and the state's diverse business community that includes strengths in technology, biosciences, financial services, construction engineering, packaged foods and transportation. Our larger cities are thriving, with Omaha and Lincoln consistently ranked among the best places in the U.S. to live, work, start a business and raise a family. Our unemployment rate is one of the lowest in the country. Our challenge is to attract and keep talent in Nebraska, maintaining a workforce that is adequately prepared and educated to help the state realize its full potential.

Now we're ready to capitalize on our biggest opportunities for the future. It's time to reassess what we want the University of Nebraska to be known for in regional, national and global arenas. As I meet with national and international leaders, it is clear that we already have an enviable reputation. Decades of active participation in the global agricultural research community, coupled with more recent recognition in areas such as soft organ transplantation, water quality and management, nanomedicine and nanotechnology, transportation and engineering have begun to elevate our standing nationally and internationally. But we have much greater potential.

This is our time to elevate our brand, extend our reach, and raise our profile with prospective students, faculty, business partners and international partners. Membership in the Big Ten will

expand our horizons in recruiting and research, as we are already seeing in increased student applications at UNL. We must move aggressively and focus on our priorities.

The Campaign for Nebraska has been tremendously successful already, with more than \$900 million committed. That success comes from focus: identifying areas in which we can be among the best and investing in them. The result is that we can build and strengthen outstanding academic and research programs like the Peter Kiewit Institute, the Raikes School, the Engler Agribusiness Entrepreneurship Center, the Daugherty Institute, the Buffett Institute and the Durham School. Focused investment will allow those programs to attract talented students and faculty, building their reputation and the University's.

As we move forward, that is the analysis we must undertake about investments in the University as a whole. How can we best take advantage of the distinctiveness of each of our campuses? What investments would best reflect their mission, their strengths and their opportunities? How can we ensure that those investment increase human capital and knowledge capital to drive continued economic success in the state?

One strategy to advance those goals is to significantly increase enrollment at the University, with particular emphasis on increasing nonresident enrollment.

Growing the University

We currently have 50,000 students at the University of Nebraska, with under 25,000 at UNL. That number is about half the average of the other public Big Ten institutions. Those institutions' percentage of nonresident students is also about double UNL's. I can think of no downside and plenty of upside to significantly increasing the size of the University—primarily in Omaha and Lincoln—and attracting more talent from outside the state to Nebraska.

It isn't outside the realm of possibility that UNL could grow by 10,000 students and UNO by 5,000 students in the next decade. UNL can achieve almost half of that growth simply by sustaining the average enrollment growth of the past decade. Additional growth will require some different strategies, including expanding our differential tuition models and more aggressively recruiting non-resident and international students.

However, I believe those targets are achievable and desirable, both as a strategy for revenue growth and as a strategy for attracting talent. The best predictor of where people will live and begin their careers is where they earned their last degree. Attracting talented young people to Nebraska is one of the best things we can do to increase Nebraska's competitiveness and ensure that it remains one of the best places to live, work and raise a family.

UNO's new, larger campus footprint that now extends from Dodge Street to Spring Street creates ample opportunity for expansion and development of a first class metropolitan university. Programs in engineering and information science and technology are natural candidate for growth, with plans in place to double PKI enrollment in the next decade.

Growth is also essential at the Medical Center as the need for doctors, nurses, allied health and public health professionals, dentists and pharmacists continues to grow in Nebraska and the region. As the population ages, the demands will continue to increase. According to the US Department of Labor, the fastest growing job category in the coming decade is biomedical engineering, with medical scientists, physicians assistants and biochemists also in the top five. That puts our medical, engineering and biosciences programs in the forefront of workforce development for the future.

At UNK, total enrollment may not need to change significantly as it is important that Kearney retain its character and fulfill its mission as a premier residential undergraduate comprehensive university. The opportunities at UNK are to maintain and grow their admirable level of international student enrollment, which adds so much to the campus and the community, and to attract more non-resident students from the region.

We have made great progress in non-resident enrollment. In 2003, the Legislature established a goal for the University to attract more non-resident students, and this year, a record number of non-resident students – nearly 10,000 – have come to Nebraska for their education. That represents almost 20 percent of total student enrollment, with many of those students in graduate programs. A decade ago, that number was about 6,500. Initiatives like the Metropolitan Advantage Program, which allows students from three Iowa counties to attend UNO and pay 150 percent of resident tuition, should be considered models for the future that we can expand and improve to attract more non-resident undergraduates.

Within that larger goal of increased enrollment, we should also strive for dramatic increases in the number of engineering students in both Lincoln and Omaha. Engineering is a high-demand field in the innovation economy, and our numbers are too low, especially compared to Big Ten peers. If we are unable to significantly grow programs based in Omaha as well as in Lincoln, we will need to examine whether the experiment we put in place a decade ago is successful.

Last summer, a group of private sector leaders and alumni of the College of Engineering worked with us on ambitious plans for the College. Bob Brightfelt, who earned undergraduate and graduate degrees in mechanical engineering at UNL and had a successful career in the health care industry, led the initiative. His report laid out a vision of a consensus top 40 College of Engineering that plays a leading role in the state's economy by expanding the innovation workforce and enhancing research scale and productivity. Achieving the goals would require significantly more faculty, students, research funding and private support, and it was exciting to see the challenges before us and the enthusiasm of our alumni in helping us achieve the goals.

Online Worldwide

While significant growth of on-campus enrollment is a primary goal for the second decade, an even greater opportunity for revenue growth and expanded access to education lies with our new initiative, Online Worldwide. By offering all University of Nebraska online programs under a single brand, we have the unique opportunity to establish a reputation as one of the leading providers of online programs. The benefits to a prospective student of pursuing a degree program through the University of Nebraska Online Worldwide are considerable.

We now offer more than 80 degree and certificate programs online, with more than 22,000 students and growth approaching 20 percent per year – far above our growth in on-campus students. University of Nebraska faculty have demonstrated their commitment to online learners, establishing new degree programs that allow students who have some college credits or an associate's degree to complete their bachelor's degree online and be more competitive in the job market. They have found innovative ways to draw on the strengths of multiple campuses to collaboratively offer high-demand programs and increase revenue to the campuses.

The promise of Online Worldwide is “A University of Nebraska education wherever you are,” and it is that promise of high-quality, fully accredited programs, taught by the same faculty who

teach on campus, that sets us apart from our competitors – especially our for-profit competitors. The for-profit sector is beginning to feel the heat of government scrutiny over recruitment and financial aid practices, as well as increased competition from public universities. The University of Nebraska is one of the leaders among traditional bricks-and-mortar institutions that are stepping into this rapidly growing segment of higher education that now serves more than 6 million students nationwide. It is essential that individuals who want to improve their career readiness, increase their earning power and improve their lives have reputable, reasonably priced choices.

We cannot be successful in this market, however, without recognizing that it is a different competitive environment. Our traditional ideas of campus-based, program-specific, regional promotion must be replaced with a larger strategy that consistently promotes the University of Nebraska as the optimum destination for online learning and that uses technology effectively both to attract prospective students and to deliver online learning.

Fostering innovation

In addition to encouraging ambitious plans for increasing enrollment, our current momentum positions us for a new role in fostering innovation and building partnerships with the private sector. In December, for example, we announced an agreement between Bayer CropScience and NUTech Ventures, the nonprofit corporation responsible for building partnerships between university researchers and the private sector, for wheat breeding research. The agreement includes funds for an endowed presidential faculty chair in wheat breeding, support for UNL research and education programs, and plans for the company to establish its first North American wheat breeding station near Lincoln. UNL's extensive experience in wheat breeding was a natural fit for Bayer, which had recently announced plans to move into this area of research. It's a great model for the future, bringing industry and university scientists together to improve sustainable practices in agriculture and improve food security.

Over the next 10 years, Nebraskans should expect to see additional public-private partnerships centered around each campus. Nebraska Innovation Campus in Lincoln is potentially the largest such development. Key milestones have been reached in recent months with the appointment of

the Nebraska Innovation Campus Development Corporation comprised of five members representing the private sector and four representing the university.

NICDC has now named a developer for Phase I of the campus, Nebraska Nova LLC, which has agreed to put its own capital at risk to invest in much-needed infrastructure and begin the buildout of the 4-H Building as a conference center, laboratory and classroom facility, as well as a new facility that will focus on research in food and fuel. The developer has also agreed that once space for a building is 50 percent committed, they will build the building, and NICDC will approve all tenants and uses as well as the design of all buildings. The University will receive 10 percent of the net rents.

One of the most important developments in Innovation Campus is a proposal made by Gov. Heineman in his 2011 State of the State address, and later endorsed by the Appropriations Committee of the Legislature in its preliminary budget, to invest \$25 million in state funds in the development of NIC. This investment, coupled with the agreement with the developer, would provide a major boost to the early success of Innovation Campus. It reflects the strong support that the Governor and members of the Appropriations Committee have shown for higher education and their appreciation for the role that the University plays in the state's economy.

Solutions to global issues

One of the most exciting and energizing effects of our current momentum and leadership is the growing recognition of the University of Nebraska's potential for finding solutions to major global issues including hunger, poverty, agricultural productivity, food and water security and individual achievement. In his book *The Tipping Point*, Malcolm Gladwell claims that "when small numbers of people start behaving differently, that behavior can ripple outward until a critical mass or 'tipping point' is reached, changing the world."

In the past few years, small numbers of people – faculty, donors, alumni and others – have come to believe that the University of Nebraska can leverage its long history of agricultural research and its faculty's passionate commitment to our youngest citizens to help solve some of the most pressing global problems. In 2010 we reached a tipping point when two visionary donors – Robert B. Daugherty and Susie Buffett – made gifts that have put the University of Nebraska in position to change the world in the areas of water for food and early childhood education. Both

Bob and Susie identified the University of Nebraska as “the right place” to take their big ideas and dreams and make them a reality.

Bob Daugherty, who passed away in November, was the founder of the company that became Valmont Industries, a world leader in agricultural irrigation systems. His commitment to finding ways to grow more food with less water was the inspiration for what is now the Robert B. Daugherty Water for Food Institute, for which the Daugherty Foundation provided a \$50 million founding gift. The Institute will be located on the UNL campus but will engage faculty from all campuses in education, research and policy analysis relating to water for food.

A search is underway for an internationally known scientist to lead the Institute, and plans include an annual conference on Water for Food, which is already in its third year and is attracting top scientists, political leaders and policy makers from across the globe. The Institute will focus on fundamental and applied research to provide the knowledge base for effective, practical solutions to the challenges of increasing food production with a finite amount of water. A research fellows program will bring visiting scholars to the Institute, and a student fellowship program will provide scholarships to highly qualified graduate and undergraduate students.

Regional, national and international partnerships based on shared interests will be critical to the Institute’s work, which will include partnerships with developing countries whose economies depend on agriculture and water for survival.

One of the leaders who believes in the University’s potential to make a difference is Jeff Raikes, CEO of the Bill & Melinda Gates Foundation, who was a key part of discussions leading to creation of the Institute and who serves on its advisory board. Jeff said, "This remarkable gift creates an opportunity for the University of Nebraska to make a lasting impact on global poverty and hunger. With more than one billion people in the world living in extreme poverty, many as subsistence farmers, the sustainable use of land and water is a critical piece to success. Having been raised on a Nebraska farm, I have seen the abundance that can come from the land when it is well-managed and has adequate water resources."

The Water for Food Institute is an example of what can happen when we focus on our priorities, leverage our strengths, and find like-minded individuals who see our potential as an institution. The Buffett Early Childhood Institute is another.

Susie Buffett is an Omaha philanthropist whose work has centered on improving the lives of children. Her gift, which the University will more than match and transform into a \$100 million-plus endowment, will establish a university-wide, multidisciplinary research, education, outreach and policy center that will help transform the approach to early childhood development and education in Nebraska and across the nation. The institute will be dedicated to promoting the development and success of children from birth to age 8, focused especially on those who are vulnerable because of poverty, abuse, or developmental, learning or behavioral challenges.

This interdisciplinary Institute will integrate teaching, research and outreach from disciplines spanning all four campuses, with a particular emphasis on using research to inform public policy in immediate, practical ways. Faculty from child and family studies, educational psychology, teacher education, educational administration, special education, psychology, nutrition, sociology, public health, communications, pediatrics, economics, architecture and other disciplines will be involved

The Buffett Institute will create a new model for the engagement of public higher education in early childhood. The need for it has never been more clear – and the potential to transform the lives of children has never been greater. Too many children today are affected by an achievement gap that impacts their ability to succeed in school and later in life. This gap often is rooted in opportunities lost during the early years. We must do more to ensure our youngest children – especially those who are at risk – have equal opportunities for health, happiness and success. It is a testament to the work of our faculty and the vision of Susie Buffett that the University of Nebraska is now positioned to provide those opportunities to more children throughout the world.

Making the Global Connection

One of the most intriguing aspects of both the Daugherty and Buffett Institutes is their global nature. Information technology, English as the language of business, and free trade are shrinking the world, and Nebraska needs to be a part of the global community. The advances that we make in improving learning skills for pre-kindergartners are of vital interest in India, China and Japan. The technologies that we develop to increase crop productivity without increasing water use are important in sub-Saharan Africa as well as in the Sandhills. Because global engagement is imperative for the University and the State, we have identified it as one of the priorities of the University of Nebraska Foundation's Campaign for Nebraska.

While many nations are investing heavily in educational infrastructure in hopes of keeping talented students from leaving, an American university education is still the gold standard. We are actively recruiting more international students in Vietnam, China, India and Japan, among other nations. This year we had more than 3,000 international students from 137 countries on our campuses – a record, and one which we hope to double by the end of the decade.

We are seeking out new opportunities for students to study abroad or to participate in international service learning experiences, understanding that to be citizens of the world, our students must have the experience of living, working or studying in other cultures. We must expand these opportunities if we are to meet the goal that by 2020 every undergraduate student will have the opportunity for a global experience.

We are actively engaged with educational and political leaders throughout the world to build new institutional partnerships and research collaborations, identifying areas in which we have mutual needs and interests and focusing on emerging powers. Vice-Provost Tom Farrell has made an important contribution with his leadership of our global engagement initiatives, sparking renewed interest, enthusiasm and focus on global engagement across the University. And, as our reputation rises through programs like the Water for Food Institute, Early Childhood Institute and Online Worldwide, we will be able to attract faculty, students and leadership from throughout the world. This must remain an important long-term strategy for the University.

Revitalizing Rural America

One of the newest leaders of the University is our Vice President and Vice Chancellor for IANR, Ronnie Green, who joined us in May 2010 bringing both academic and private sector experience. Among his challenges will be to develop a model for revitalizing rural economies, using the experience of the Rural Initiative to craft a new Institute for the Rural Future. We have as much commitment and obligation to innovation and intellectual leadership in rural Nebraska as we do in Lincoln or Omaha, and we need to engage new thinking and new stakeholders in these discussions. Our goal is to be a leader in this area for Nebraska, the region and the country.

This is the ideal time to revisit the University's engagement with rural Nebraska and the role that public universities can play in encouraging entrepreneurship, advancing educational attainment outside of major population centers, and continuing to provide traditional research and outreach in service to agriculture. This is not about preserving or conserving something ... it involves change, just as Innovation Campus and Aksarben Village involve change and vision and focus.

We have significant assets to draw on. The Engler Agribusiness Entrepreneurship Center has already begun working with students who have an interest in rural revitalization. At the Nebraska College of Technical Agriculture in Curtis, two additional programs – the 100 Beef Cow Program and the 100 Acre Farm – are similarly providing education, incentives and support to students who want to work in production agriculture.

The Daugherty Institute will have a emphasis on water management and conservation in Nebraska, as well as throughout the world, building on UNL's long-standing involvement in this area through the Water Center and other research and policy analysis initiatives.

Other University research also impacts the quality of rural life, including a rural literacy program designed to create an intensive, literacy-based early learning program for rural, low-income children in Nebraska. And, as Innovation Campus is developed with its emphasis on food, fuel and water, and new partnerships like the one with Bayer CropScience are expanded, additional opportunities for rural revitalization will take shape.

Today, rural residents have more access than ever to degree and certificate programs that can expand their opportunities. Online Worldwide is committed to serving the 265,000 Nebraskans

who have some college but no degree, and the additional 100,000 who have an associate's degree but not a bachelor's degree, helping them advance their education and expand their options.

As we move in to the second decade of this century, we must remain focused on our priorities. There is much to be done to achieve our major goals: enrollment growth both on campus and online, an enhanced reputation, a larger presence in global endeavors and a revitalized rural economy. I believe we are up to the task.

Milestones

We lost a great friend and mentor this year with the April death of Clifford Hardin, who served as Chancellor of the university from 1954-1968 before being named U.S. Secretary of Agriculture. Hardin, more than any other individual, was responsible for the evolution of the modern University of Nebraska. He provided leadership at the time we became a multi-campus system, with Omaha University joining as the University of Nebraska at Omaha and the Medical Center becoming a separate campus – though he would probably say his greatest achievement was bringing Bob Devaney to Nebraska. Cliff was a visionary whose work in Turkey – helping to establish Ataturk University in 1957 – was an early example of our commitment to global engagement. Hardin was the first president of the University of Nebraska system, and Robert Knoll, in his book *Prairie University*, called him one of the three great leaders in university history.