

KEYNOTE SPEECH DELIVERED TO THE
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Thank you so much. While I have prepared my speech, your expressions of support and your outpouring of passion and emotion make me speechless.

I really am humbled and so grateful to all of you. This is the greatest honor to be here and to be able to share a few words with you.

Last night, I told a group of your delegates that I have received many awards and honors during my 30-year academic career, but nothing is more meaningful to me than the recognition you have bestowed on me. Anytime in the future when I am introduced or want to brag about myself, my title will immediately be followed by the fact that, twice, the California State Student Association named me as their President of the Year. That is most important to me. Thank you.

I want to share a few words with you, which are going to be a little different from the more typical speeches you hear before your legislative day at the State Capitol.

The conventional speech usually begins by, you see all this money going to prisons, while at the same time your fees are going up and the state does not adequately fund higher education. So, the message you want to send is “please be fair.” Our issues are important and more complex and our success, all of our success, begins with you, and that is something you have to really consider. We are in a very difficult time. You see it every day on TV and you read it in the newspapers. This is essentially an economic meltdown, a financial crisis that we haven’t experienced in the past. Yes, we have had depressions, we have had recessions, but we have never had this much complexity, and it’s not going to go away easily. Clearly, there is no single solution.

Frequently, I hear people say that “President Obama hasn’t done enough...we don’t see a difference...we haven’t seen anything change.” Well, for God’s sake, give it some time. It has happened over many years and nobody can solve it within a few months. There is no fast or single solution.

It is going to take many years to fix this financial meltdown and it will require a re-engineering of our society. When I said our success begins with you, I meant that you are the leaders for that change. You are the ones who are going to re-engineer our society, and this is a golden opportunity for *you* to fix what is left. You may say that you were left with all the problems, but not really. There are problems, but at the same time, there are challenges that you can really help to solve.

Let me share a quote by Marcus Aurelius, who said, "In times of difficulty, character is not developed but displayed." Please remember, in times of difficulty, character is not developed, it is displayed.

I believe that during this difficult time that we are in, now, it's up to you, as our wonderful leaders of the student body, as our wonderful leaders of the best group of students in the United States, to display your character. You are the ones who have the opportunity to really take this charge and help fix the situation. And it starts as of tomorrow with your lobbying. But remember we are now operating in a different context. Clearly, what has been an entitlement in the past is now shared responsibility. This is a very important context for us to understand. That is, our society cannot and will not be able to afford many entitlements. Today we can reengineer our society only if we take on a shared responsibility.

But, for a second, let's stop and look at the nature of the problems. I'm not sure how many of you have heard of, or are familiar with, these statistics.

In 2008, California had the largest number of foreclosures -- 524,000 in one year. Florida was second, and Arizona third. California also had the largest number of bank closures and bank failures -- eight, to be precise. It also has the highest state income tax, 10.5%, and the largest deficit, 44%. Nevada's deficit was 40%, and Arizona's 28%. California currently has the worst bond rating; A is right on the bottom. Louisiana is A+ and West Virginia and Kentucky are one notch higher, Double A minus. Activities decreased in the three busiest ports in the United States during 2008. LA and Long Beach were at minus 19.2%. Can you imagine how many people are put out of jobs when port activities are down 19.2%? But, California is still the highest. Savannah Georgia is -13.5% and New York/New Jersey are -10.7%.

Studio Feature films -- You know that California is famous for Hollywood and Studio feature films. In 2003, 66% of studio feature files were shot in California. Do you know how much it was last year? Only 35%. That's more jobs lost and more economic distress. California is ranked 50 out of 50 as a state to do business with, and it's no wonder that nobody wants to do business in our state.

Highest Corporate Tax – California is the most regulated state in the Union and, interestingly enough, spending is currently 80% higher than 10 years ago.

Spending – well tell me, are your fees going down? Has the CSU budget been restored? Do we have better roads? Do we have better jobs? What do we have? So what's happening with that 80% more in spending?

K-12 education – California currently ranks 47 and 48 in math and reading in K-12 education, while during most of the 1960s, California was rated number 1.

Being an architect, I can't help but remind you that our state's infrastructure was built for a population of 17 million, but we now have a population of 37 million. Levees, roads, trains, you name it -- that is the reason why you have so much congestion, that is the reason why you see the roads are bumpy, and that is the reason so many bridges are in disrepair. And, there are 345,000 employees in the State Capitol, the largest.

Now that I have laid out a framework, let's look at our own beloved place where we all study and teach and learn -- and that is the California State University. Forget about all of the other cuts from years ago. In the past two years alone, we have had more than \$600 million in cuts or unfunded mandates -- six hundred million dollars! That is something that one has to remember and remind all of our elected officials about.

But let's find out what happened. We keep saying these things happened, but what happened? And that will be the foundation for what you want to bring to your discussion tomorrow with our elected officials.

Until the 1970s, there were a lot of people in this country who valued work. I certainly did. I want you to know that as an immigrant, I feel that I am blessed. I am really most blessed and I am grateful to have the opportunity every day to be in this country, to be in this position, and to have the opportunity to serve. And most people in this country thought the same way until the 1970s. They were really happy to find work, they were happy to make a contribution, to live and have a job and have a good quality of life.

Then, in the mid 1980s, the whole structure of finances and banking changed. Also, the information technology revolution, computers and IT, came about, along with a number of other changes. Society changed and, based on those changes, a large number of people made a large amount of money overnight, either through stocks or the software they created. One or two smart individuals invented or created software or a piece of hardware, and two months later they formed a company; six months later, that company went public and they had \$100 million dollars that they didn't know what to do with. And, a bunch of people who were either their friends or who were helping them, got rich too. Why? Because they had stock options, so they became vice presidents or managers, or some other titled position. That, in turn, made many with money move on to real estate and by increasing demand they increased the price of real estate.

This is not a fantasy my friends; this is reality. And that is why you see those \$10 million loan defaults, and that is why you see those Lamborghinis being repossessed. That is why you see all these things happening. This is a reality where a lot of people made a lot of money too fast, too quick, without working for it. And they got greedy. They made more and more, and still it was not enough. From IT people to mutual funds managers to ordinary individuals, many people got engaged in the art of investment and became richer and richer -- the society was becoming a Las Vegas casino. Others followed them and purchased houses, boats, cars, and many other material objects way beyond their means. Not only did this greed create a financial disaster, but also it has changed the culture. It changed the culture from hardworking and responsible citizens, to one where many individuals want to become multimillionaires over night. The whole notion of the value of work and contributing to society, giving back to the society, was fading away. Within this culture, there is not much respect for higher education and a learned society.

Even now, many still think they can bypass this financial meltdown and get rich overnight. For example, look at what's happening right now. People have lost their jobs; they have lost their homes. They are in the streets and desperate. But, there are others who put together TV programs and ads, or create tapes, and they talk about buying foreclosed homes dirt-cheap and turn around and sell them when the economy improves at a much higher price. And yes, business is business, but what kind of ethics are we dealing with? What kind of situation are we getting into? This is the type of mentality out there, but I can assure you those mentalities are going to fail. Why? Because people like you are going to be changing the system. There is

going to be a reengineering and there are going to be more changes over time. Certainly, our society will remain a free country. You can still make money and you can get rich, but not in the short term. Not based on the failure of other people. Not by taking advantage of other people, but by making money in the right way and in doing something better for society as a whole. That is going to take a long time, and you are going to have a major role in this reengineering. You are a learned group of young people who will display character and responsibility. That is why tomorrow, when you go to see your elected officials, you want to demand responsibility from them.

It is time for you – as the proven leadership of our student body – to display your character to our elected representatives. You tell the legislators that you are and will be a responsible citizen, not for personal gain, and you demand the same from them. You demand that they act out of their conviction and beliefs, rather than political correctness of satisfying their campaign contributors.

Yes, everybody wants money, everybody needs money, but they have to look at everything in perspective. Our cause is simple and clearly understandable. The world is in agreement that education is the foundation of democracy and of economic prosperity. So we have to remind all of our legislators that their decisions have to be based on their responsibility to society. That means as elected officials they cannot only satisfy the people who have contributed to their campaigns, but they must satisfy everyone, all people of their districts, the people of California. We have to remind them that their decisions have to be made for the good of society, for the good of the people.

There are a lot of wonderful people who won't have access to the great California State University because there is not enough funding, but also because of over-regulation and by the culture of bureaucracy.

This lack of funding and increased regulation causes delays in your degree attainment at California State University. The legislators should feel the same sense of responsibility as many of us do.

We are all in this budget crisis together. We are going to come out of it stronger and better, and the individuals who are going to play a key role in reengineering our society are you. What in the past has been an entitlement is now a shared responsibility. The only way you as our future leaders can reengineer our society is to be responsible citizens.

Oscar Wilde said, "I am a simple man. I am easily satisfied by the best". This applies to all of you. You are all simple people, but you are only going to be satisfied by having the best that you deserve. The best success starts with you, and you are going to go there tomorrow, charged up, and ask these officials, whom you elected, to be responsible. And they are going to support higher education, and the California State University, as the best possible decision they can make for the good of California and the society. Thank you very much.