

**GOLDMAN SCHOOL OF PUBLIC POLICY
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February 2004 eDigest

Dear Friend:

This extended eDigest includes upcoming events and recent examples of GSPP alumni, faculty and students in the news. Summaries of the articles follow a quick reference list.

This semester, the Goldman School is honored to have a distinguished visiting faculty member, Robert Reich, Professor of Social and Economic Policy at Brandeis University and former US Secretary of Labor (1993-97). Professor Reich will present a public lecture on campus on April 13th. Details on the exact time and location will be available soon.

eDIGEST FEATURES

- Upcoming Events**
- Quick Reference List**
- Alumni and Student Newsmakers**
- Faculty in the News**
- Recent Faculty Speaking Engagements**
- Board Of Advisors in the News**
- UCTV Listings & Archive**

Thank you for your active interest in and support of GSPP.

UPCOMING EVENTS

- 1. "U.S. Nuclear Weapons and Nuclear Explosion Testing"**
March 8, 2004, 4:00 p.m., GSPP room 150
The Department of Nuclear Engineering will host this symposium featuring renowned physicist Richard Garwin (Senior Fellow for Science and Technology, Council on Foreign Relations; IBM Fellow Emeritus, Thomas J. Watson Research Center). HAROLD SMITH, GSPP DISTINGUISHED VISITING SCHOLAR, will also participate.

- 2. "The Impacts and Management of Genetically Modified Varieties in Developing Countries"**
Prof. David Zilberman - (College of Natural Resources - UCB)
March 15, 5:45 - 7:30pm
GSPP Living Room
Presented by the Goldman School's Environmental Policy Seminar Speaker Series

3. SPECIAL AARON WILDAVSKY FORUM FOR PUBLIC POLICY

"Information and Political Processes"

Professor Joseph Stiglitz

Nobel Laureate in Economics (2001) and Professor of Economics and Finance, Columbia University

March 16, 2004, 7:30 to 9:00 p.m.

2050 Valley Life Sciences Bldg (VLSB), UC Berkeley.

All are welcome at this public lecture. Public reception to follow.

(There will be a discussion session at GSPP the next morning, 8:30-10:00 a.m.)

Directions: <http://www.berkeley.edu/map/>

4. "Careers in Community/Economic Development" GSPP Alumni Panel

March 17, 12:30-2:00 pm - Rm 250

Alumni JULIA LOPEZ (MPP 1980), NANCY MACKLE (MPP 1990), JASON MOODY (MPP 1995), and SUSIE WONG (MPP 1986) will discuss their experiences in this field.

5. "Stopping the Next Generation of Terrorists"

March 17, 2004, 11:30-12:30 pm - Room 105

Prof. Malcolm Potts of the School of Public Health will give this talk hosted by GSPP.

6. "The Marketing Of Higher Education"

Commonwealth Club of California forum.

DAVID KIRP, Professor of Public Policy, UC Berkeley, will talk about marketing incursions into places as diverse as NYU's philosophy department and UVA's business school. He will describe how universities brand themselves for appeal in the competition for top students; how academic superstars are wooed at outsized salaries; how taxpayer-supported academic research gets turned into profitable patents; and how the liberal arts shrink under pressure to be self-supporting.

March 17, 2004, 5:30 p.m. Reception; 6:00 p.m. Program

Club Office, 595 Market St, 2nd floor, San Francisco. Free for Members, \$12 for Non-members, \$3 for Students | Directions to the Club. <http://www.commonwealthclub.org/mlf.html#kirp>

7. "Building the Promise: Housing Assistance as Social Investment," the Fifth Annual Berkeley Conference on Housing and Urban Policy.

March 25th, 2004, 8:00 a.m.-2:30 p.m.

Andersen Auditorium, Haas School of Business, UC Berkeley campus.

For on-line registration information, visit the conference website at

<http://urbanpolicy.berkeley.edu/2004conference.htm>

Kevin Johnson, former NBA All-Star and now president of Sacramento's St. HOPE Corporation, will keynote. Panels will examine various aspects of housing assistance as social investment, including investment in facilities and services for the homeless. Prof. EUGENE SMOLENSKY will be a moderator. Among presenters will be AMY LEMLEY (MPP 1998).

Pre-registration is necessary for all attendees. The cost is reasonable and includes lunch. Early Registration is \$60 per person; General Registration after February 27th will cost \$75.

Admission is free for UCBkly students, faculty and staff [lunch not included], but pre-registration is still required. Special reserved fee parking is \$25; but public transportation and carpooling strongly recommend.

Sponsored by UC Berkeley's Program on Housing and Urban Policy, a research program affiliated with the Institute of Business and Economic Research and the Fisher Center for Real Estate and Urban Economics, and receiving institutional support from Berkeley's Haas School

of Business, College of Environmental Design, and GOLDMAN SCHOOL OF PUBLIC POLICY.

8. "The Real Digital Divide" -- by ROBERT REICH
Keynote address for Conference on Bridging the Digital Divide, UC Berkeley and United Nations
April 1, 4 pm
Anderson Auditorium, Haas School, UC Berkeley campus

9. "Jobs, Trade, and Aging: The Problems of Advanced Economies" -- by ROBERT REICH
Lecture sponsored by Institute for European Studies
April 13, 12 noon
201 Moses, UC Berkeley campus

10. "Why a Massachusetts Liberal Will Be the Next President (and Other Unfashionable Prophecies)" -- Featuring ROBERT REICH in a public lecture
April 13, 2004, 6:00-7:15 p.m.
Wheeler Auditorium, UC Berkeley campus

11. "Taking Politics Back" -- by ROBERT REICH
Bay Area League of Women Voters Annual Community Luncheon
April 27, 12 noon - 2:00 p.m.
Doubletree Hotel, Berkeley Marina.

12. THE 10th ANNUAL AARON WILDAVSKY FORUM FOR PUBLIC POLICY
"Theories of Bounded Rationality and Their Policy Implications"
Professor Jonathan Bendor
Political Economist for the Graduate School of Business, Stanford University
April 21, 2004
Rm. 250, GSPP
There will be a discussion session at GSPP the next morning 9-11 a.m.

13. "The Vanishing Middle Class and Why We Should Care" -- by ROBERT REICH
Berkeley Center for the Development of Peace and Well-Being
May 4, 2004, 4 pm
Location TBA

14. MPP CLASS of 2004 COMMENCEMENT
ROBERT REICH will deliver Commencement Address
May 22, 2004, 10 a.m.-noon
Faculty Glade, UCB campus

QUICK REFERENCE LIST

In addition to the print media referenced below, broadcast media coverage includes numerous interviews with DEAN NACHT by KRON TV, KGO TV and KTVU, among others.

ALUMNI AND STUDENT NEWSMAKERS

1. "Analyst says bond plan not enough. Revenue projection \$1 billion less than earlier estimated" (San Francisco Chronicle, February 19, 2004); article citing ELIZABETH HILL (MPP

1975); URL: [sfgate.com/article.cgi?file=/c/a/2004/02/19/MNGH253N311.DTL](http://www.sfgate.com/article.cgi?file=/c/a/2004/02/19/MNGH253N311.DTL)

2. "Report on budget urges tax increases. Legislative analyst says governor's proposed spending plan alone won't solve deficit" (Oakland Tribune, February 19, 2004) article citing ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1865%257E1965727,00.html>

3. "Gas Tax Hike for Roadwork Urged. Analyst calls for 6 more cents a gallon and says the Legislature should reject the governor's bid to cut transportation funds by \$2 billion" (Los Angeles Times, February 19, 2004); article citing ELIZABETH HILL (MPP 1975); [requires registration] http://www.latimes.com/news/local/la-me-analyst19_send.rtf?feb19,1,490111.story?coll=la-headlines-california

4. "Growing budget gap seen. Governor's plan is a 'good start' but fixes are needed, analyst says" (Sacramento Bee, February 19, 2004); article citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/politics/story/8291689p-9222107c.html>

5. "State deficit trumps school bond issue," (Oakland Tribune, February 11, 2004); editorial citing ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1761%257E1949213,00.html?search=filter#>

6. "Interim city manager becomes permanent" (Oakland Tribune, January 28, 2004); report on mayoral appointment of MAZIAR MOVASSAGHI (MPP 2000) <http://www.oaklandtribune.com/Stories/0,1413,82~1726~1919842,00.html>

7. "When we 'Speak truth to power,' does anyone listen?" by DAVID KIRP (PolicyMatters, January 2004); lead article in the debut issue of "PolicyMatters," created, written and edited by GSPP STUDENTS to be an interactive journal and forum for discussion of public policy issues among the GSPP community. Prof. KIRP is the faculty sponsor; <http://www.policy-matters.org/>

8. "Californians oppose the governor's bond measure" (Sacramento Bee, January 15, 2004); column citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/politics/ca/story/8104260p-9036639c.html>

9. "Budget 'a solid starting point'. But legislative analyst says it leaves \$6 billion hole for 2005-06" (Sacramento Bee, January 14, 2004); article on report by ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/politics/ca/budget/story/8096801p-9029196c.html>

10. "Analyst warns state of billions in red ink. She says lawmakers must look at higher taxes and other solutions" (San Francisco Chronicle, Jan. 14, 2004); report on news conference by ELIZABETH HILL (MPP 1975); <http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2004/01/14/MNGS649LVD1.DTL>

11. "Analyst prescribes tax hikes. Deep spending cuts, borrowing not the answer, state's adviser says" (Oakland Tribune, Jan. 14, 2004); article about news conference by ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1865%257E1890163,00.html#>

12. "Budget 'a solid starting point'" (Contra Costa Times, Jan. 14, 2004); article on news conference by ELIZABETH HILL (MPP 1975); http://www.contracostatimes.com/mld/cctimes/content_syndication/local_news/7706449.htm

13. "Analyst: California budget is \$6 billion short" (© Associated Press, San Jose Mercury News, Jan. 13, 2004); report on budget review by ELIZABETH HILL (MPP 1975); <http://www.mercurynews.com/mld/mercurynews/7701506.htm>

FACULTY IN THE NEWS

1. "Runoff set for 'underdog,' incumbent" (Contra Costa Times, Mar. 04, 2004); article citing HENRY BRADY;
http://www.contracostatimes.com/mld/cctimes/content_syndication/local_news/8102945.htm?template=contentModules/printstory.jsp
2. "Other views: A marriage, gay or straight, is first a civil union" (Sacramento Bee, February 29, 2004); op-ed by PROF. KIRP;
<http://www.sacbee.com/content/opinion/story/8363136p-9292882c.html>
3. "'Offshoring' Can Create Jobs, Too" (Los Angeles Times, February 29, 2004); column citing Visiting Professor ROBERT REICH;
<http://www.latimes.com/business/la-fi-flan29feb29,1,5762690,print.column>
4. "Battle over outsourcing heats up" (Contra Costa Times, February 29, 2004); article citing Visiting Professor ROBERT REICH;
<http://www.contracostatimes.com/mld/cctimes/business/8070791.htm?template=contentModules/printstory.jsp>
5. "Meet the Zippies" (New York Times, Feb. 22, 2004); op-ed citing Visiting Professor ROBERT REICH;
<http://query.nytimes.com/gst/abstract.html?res=F4081FFF34590C718EDDAB0894DC404482>
6. "Cal's 'genius' political professor is often ahead of his time" (Contra Costa Times, Feb. 20, 2004); article citing AARON WILDAVSKY;
http://www.contracostatimes.com/mld/cctimes/news/local/states/california/counties/alameda_county/cities_neighborhoods/berkeley/7998879.htm?template=contentModules/printstory.jsp
7. "Case Study: Cellphones. The Bright Side of Sending Jobs Overseas" (New York Times [*requires registration], February 15, 2004); article citing Visiting Professor ROBERT REICH;
<http://www.nytimes.com/2004/02/15/weekinreview/15porter.html?pagewanted=print&position=>
8. "Halliburton accused of wasting tax dollars. Ex-employee: Firm overspends in Iraq" (San Francisco Chronicle, February 14, 2004); article citing HENRY BRADY;
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/02/14/MNG3R517C81.DTL&type=printable>
9. "Bush clammers aboard a convenient political bandwagon" (San Francisco Chronicle, February 13, 2004); news analysis citing Prof. ROB MACCOUN;
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/02/13/MNG8J4VK8N35.DTL&type=printable>
10. "Bush's Budgets to Add \$10 Trillion to U.S. Debt" (© Featurewell, Berkeley Daily Planet, February 10, 2004); op-ed by Visiting Professor Robert Reich;
<http://www.berkeleydaily.org/article.cfm?issue=02-10-04&storyID=18245>

11. "Orinda Journal: Debate Over Shelter Forces Town to Confront Its Beliefs" (New York Times [*requires registration], February 2, 2004; article citing STEVEN RAPHAEL; <http://www.nytimes.com/2004/02/02/national/02ORIN.html?pagewanted=print&position=>
12. "Shakespeare, Einstein, and the Bottom Line" (Weekend All Things Considered, Jan. 31, 2004),
NPR's Steve Inskeep talks to DAVID KIRP, author of a new book about the commercialization of higher education in America called Shakespeare, Einstein, and the Bottom Line: The Marketing of Higher Education. (Published by Harvard University Press.)
<http://www.npr.org/run downs/rundown.php?prgId=2&prgDate=31-Jan-2004>
13. "Advocacy group seeks signatures for measure to decriminalize prostitution" (Contra Costa Times and wire service sources, January 30, 2004); article citing Prof. ROB MACCOUN; [the full article will
be available on the Web for a limited time]
http://www.contracostatimes.com/mld/cctimes/news/local/states/california/counties/alameda_co unty/cities_neighborhoods/berkeley/7833861.htm
14. "Access Denied: Low-income students are hit hardest by the latest round of tuition hikes and budget cuts" (National Crosstalk, Winter 2004); article by DAVID KIRP, with research assistance by BRYAN QUEVEDO (MPP 2005);
<http://www.highereducation.org/crosstalk/ct0104/voices0104-access.shtml>
15. "Who pays to study? When universities depend on taxpayers, their independence and standards suffer" (The Economist, Jan. 22, 2004); article cites MARTIN TROW;
http://www.economist.com/printedition/displayStory.cfm?Story_ID=2367332
16. "It's jobs, stupid. Democrats Pursuing White House Could Offer 3 Sensible Steps To Full Employment" (San Jose Mercury News, Jan. 19, 2004); op-ed by Visiting Professor ROBERT REICH;
<http://www.mercurynews.com/mld/mercurynews/news/editorial/7747262.htm?template=content Modules/printstory.jsp>
17. "Berkeley: Ex-Labor Secretary to visit for semester" (San Francisco Chronicle, January 20, 2004); article on Visiting Professor ROBERT REICH;
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/01/20/BAG6R4D16P1.DTL &type=printable>
18. "High costs take toll on Bay Area. Region could lose competitive edge, study warns" (San Francisco Chronicle, January 14, 2004); article citing JOHN QUIGLEY;
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/01/14/BUGSC49D731.DTL &type=printable>

ALUMNI AND STUDENT NEWSMAKERS

1. "Analyst says bond plan not enough. Revenue projection \$1 billion less than earlier estimated" (San Francisco Chronicle, February 19, 2004); article citing ELIZABETH HILL (MPP 1975); URL: [sfgate.com/article.cgi?file=/c/a/2004/02/19/MNGH253N311.DTL](http://www.sfgate.com/article.cgi?file=/c/a/2004/02/19/MNGH253N311.DTL)

By Lynda Gledhill

Sacramento -- The state's independent legislative analyst said Wednesday that the state's projected revenue is \$1 billion less than earlier estimates and warned that California will face large deficits for years without more radical budget solutions by the governor and lawmakers.

ELIZABETH HILL, a nonpartisan analyst who has advised lawmakers on the budget for 18 years, said the state is facing a \$17 billion budget deficit, which is \$3 billion more than Gov. Arnold Schwarzenegger projected in his January budget proposal. The problem has grown, HILL said, in part because of weaker than expected wages, which will lead to less in personal income tax receipts.

But the problems don't end there, HILL said. Even if the \$15 billion deficit bond measure passes, the state's budget gap the following year will be \$7 billion. In addition, the state maintains a deficit of at least \$5 billion through 2008-09, she said, because of a consistent imbalance between revenues and expenditures.

"The economy will not solve this problem for us," HILL said. "Even with the type of revenue growth that we are estimating -- which is moderate economic growth, no recession -- we cannot grow our way out of this problem."...

2. "Report on budget urges tax increases. Legislative analyst says governor's proposed spending plan alone won't solve deficit" (Oakland Tribune, February 19, 2004) article citing ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1865%257E1965727,00.html>

**By Steve Geissinger
SACRAMENTO BUREAU**

SACRAMENTO -- The Legislature's nonpartisan analyst Wednesday criticized Republican Gov. Arnold Schwarzenegger's cut-and-borrow budget as billions short of solving fiscal woes -- a development that boosts the likelihood of a showdown with Democrats over tax hikes.

Legislative analyst ELIZABETH HILL urged lawmakers to consider tax increases as part of the deficit solution even as Assembly fiscal troubleshooter John Dutra of Fremont confirmed that majority Democrats have begun eyeing an array of potential tax-hike proposals. ...

"We believe the Legislature should consider whether (deficit) solutions involving taxes, such as the elimination of selected tax expenditures (breaks) or increased tax rates -- should be part of the 2004-05 budget plan," HILL said....

3. "Gas Tax Hike for Roadwork Urged. Analyst calls for 6 more cents a gallon and says the Legislature should reject the governor's bid to cut transportation funds by \$2 billion" (Los Angeles Times, February 19, 2004); article citing ELIZABETH HILL (MPP 1975); [requires registration] http://www.latimes.com/news/local/la-me-analyst19_send.rtffeb19,1,490111.story?coll=la-headlines-california

**By Evan Halper and Jeffrey L. Rabin
Times Staff Writers**

SACRAMENTO - California's roads and highways have fallen into such disrepair that the state's legislative analyst urged lawmakers Wednesday to reject Gov. Arnold Schwarzenegger's proposed \$2-billion cut in transportation funding and increase the gas tax.

In her annual review of the state budget, analyst ELIZABETH G. HILL again cautioned lawmakers, as she did in a preliminary report last month, that the governor's \$99-billion budget suffered from overly optimistic projections. Even if those projections came true, she said, the budget would still be \$780 million out of balance in the coming fiscal year and face a \$7-billion shortfall by mid-2005.

HILL criticized the governor's plan for not ending the state's chronic "structural imbalance" between what it spends and what it receives in revenue. ...

HILL'S firm warning Wednesday to lawmakers not to raid the transportation budget will probably resonate in the Capitol, because Democrats are already balking at the cuts even though the governor has been pressing legislators to pass the budget quickly. The constitutional deadline for budget passage is not until June 30.

HILL said the declining condition of California's roads is costing taxpayers billions of dollars in lost time, wasted gasoline and expensive vehicle repairs.

"We're very concerned that if you don't have a healthy transportation system, it is hard to keep the economy moving forward," she said.

HILL said lawmakers have already taken \$2.2 billion out of transportation projects to help close budget deficits over the last three years.

"Transportation projects have been planned and started expecting these funds, but they have not materialized," her report said, noting also that the state has a backlog of \$587 million worth of pavement maintenance work.

Assembly Budget Committee Chairman Darrell Steinberg (D-Sacramento) said: "She recognizes there is a negative economic impact to many of these cuts. The conventional wisdom is that only increased taxes harm our economy. The truth of the matter is: Cutting back on strategic investments in our people and our infrastructure will also harm the economy." ...

4. "Growing budget gap seen. Governor's plan is a 'good start' but fixes are needed, analyst says" (Sacramento Bee, February 19, 2004); article citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/politics/story/8291689p-9222107c.html>

By Alexa H. Bluth -- Bee Capitol Bureau

Even if enacted precisely as prescribed, Gov. Arnold Schwarzenegger's budget proposal would leave the state with a \$7 billion budget hole in the 2005-06 fiscal year and "large operating shortfalls" for the next half-decade, Legislative Analyst ELIZABETH HILL said Wednesday.

Although the governor's 2004-05 budget offers a "good start," it lacks sufficient permanent fixes, she said.

"The governor's budget, I think to its credit, provides a lot of ongoing solutions," said HILL, the Legislature's nonpartisan budget adviser. "But there are also a number of one-time solutions."

The \$99 billion plan also is "modestly out of balance" for the current and coming budget years, even if the Republican governor's \$15 billion bond proposal is approved by voters on March 2, HILL said.

The governor's budget assumes the state would end the coming fiscal year with a slight surplus if his proposals are all enacted. HILL said her office projects lower revenues and higher expenses that would leave the state slightly in the red come year's end.

Finally, she said the plan relies on some risky solutions that would saddle the state with an even wider gulf between spending and revenue if they failed to materialize. ...

5. "State deficit trumps school bond issue," (Oakland Tribune, February 11, 2004); editorial citing ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1761%257E1949213,00.html?search=filter#>

The March 2 primary ballot is overloaded with requests for much-needed funds from occupants of the statehouse to city hall. Voters, however, will not approve all of these requests for tax dollars. ...

If approved, the two state bond measures alone -- Propositions 55 and 57 -- would add a record \$27.3 billion to the state's general fund bond debt, which was \$36 billion in November with another \$21 billion in authorized-but-not-yet-sold bonds waiting in the wings. If both propositions pass, the state's debt-service ratio would soar past 6 percent, the benchmark beyond which many fiscal wizards say the state should not go. Legislative analyst ELIZABETH HILL's office projects it would climb to between 6.4 and 6.9 percent. ...

6. "Interim city manager becomes permanent" (Oakland Tribune, January 28, 2004); report on mayoral appointment of MAZIAR MOVASSAGHI (MPP 2000); <http://www.oaklandtribune.com/Stories/0,1413,82~1726~1919842,00.html>

By Heather MacDonald, STAFF WRITER

Oakland -- Mayor Jerry Brown on Tuesday named Deborah Edgerly to be Oakland's permanent city manager, while firing the director of public works and tapping a new leader for that much-maligned city agency....

Also Tuesday, Brown announced that MAZIAR MOVASSAGHI will serve as special assistant to the mayor, after serving as legislative analyst for the City Council.

MOVASSAGHI, a graduate of University of California, Los Angeles and the GOLDMAN SCHOOL OF PUBLIC POLICY, will serve as a liaison between the mayor's office, the city manager and the council, Brown said.

"He'll hopefully provide some of the glue that we've been missing between the different offices," [Council President Ignacio] De La Fuente said.

7. "When we 'Speak truth to power,' does anyone listen?" by DAVID KIRP (PolicyMatters, January 2004); lead article in the debut issue of "PolicyMatters," created, written and edited by

GSPP STUDENTS to be an interactive journal and forum for discussion of public policy issues among the GSPP community. Prof. KIRP is the faculty sponsor; <http://www.policy-matters.org/>

Foreword by RICHARD HALKETT (MPP 2005) & DAVID DEMING (MPP 2005), executive editors: "To achieve its full potential, PolicyMatters needs the input of our whole community, either through submitting articles, responses (to editor@policy-matters.org), or online discussion points (at <http://www.policy-matters.org>)...."

Other Contents:

"Whose truth? A response to David Kirp" by CAROL CHETKOVICH (MPP 1987, PhD 1994).
"Human capital contracts: Revisiting higher education finance" by DAVID DEMING.
"An accidental empire: The long reach of the American dream" by RICHARD HALKETT.
"Political corruption: Treating the disease, not the symptom" by JESSICA RIDER (MPP 2004).
"Perspective: Bathroom reading" by JESSICA FLINTOFT (MPP 2004).
"Environmental policy and university arts instructions" by IAN HART (MPP 2005).
"Lying with statistics. Campaign contributions and Iraq reconstruction contracts" by PROF. JACK GLASER.

8. "Californians oppose the governor's bond measure" (Sacramento Bee, January 15, 2004); column citing ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/politics/ca/story/8104260p-9036639c.html>

By Daniel Weintraub -- Bee Columnist

Gov. Arnold Schwarzenegger faces an uphill battle to win voter approval of the first phase of his fiscal recovery plan March 2. But if he is willing to place his personal and political credibility on the line, he can probably pull it off....

The stakes are high. If he fails, and a legally questionable bond measure approved last year by the Legislature and Gov. Gray Davis is struck down by the courts, Schwarzenegger would face a huge gap that would almost certainly lead to a tax increase, among other consequences. But if he can win passage of Proposition 57, Schwarzenegger would likely be on his way toward bringing the state's books back into balance over the course of his term.

His budget proposal falls short of doing that in one year. Legislative Analyst ELIZABETH HILL says that even if everything Schwarzenegger has proposed is enacted and works as intended, an unlikely prospect, the governor still would be facing a \$6 billion gap between projected spending and revenues a year from now. That's because his plan contains many of the same kind of tricks and gimmicks he rightly has said got the state into this predicament in the first place....

9. "Budget 'a solid starting point. But legislative analyst says it leaves \$6 billion hole for 2005-06" (Sacramento Bee, January 14, 2004); article on news conference by ELIZABETH HILL (MPP 1975); <http://www.sacbee.com/content/politics/ca/budget/story/8096801p-9029196c.html>

By John Hill -- Bee Capitol Bureau

Gov. Arnold Schwarzenegger's state budget proposal is a realistic first step toward solvency but leaves a \$6 billion hole in the following fiscal year and rests on more than \$2 billion of shaky assumptions, Legislative Analyst ELIZABETH HILL said Tuesday....

HILL's nonpartisan office advises the Legislature on the budget, and in recent years has warned of the consequences of lawmakers failing to bring spending in line with revenues.

She gave the Schwarzenegger proposal high marks for including realistic estimates of revenue and the size of the state's deficit. Many of the proposed cuts would be permanent and therefore would have a lasting effect on the state's fiscal health, she said.

"In our view, the budget has several positive features and is a solid starting point to jump off for legislative deliberations," she said. The Legislature is required to pass a budget by June 15 for the fiscal year that starts in July.

On the other hand, the Legislature will have to carefully consider the policy implications of the governor's substantial and wide-ranging cuts, HILL said.

The governor's proposal fails to address the full scope of the imbalance, she said, leaving the state facing a \$6 billion hole in the fiscal year that starts in July 2005. And that could grow billions of dollars larger if several questionable assumptions fall through....

10. "Analyst warns state of billions in red ink. She says lawmakers must look at higher taxes and other solutions" (San Francisco Chronicle, Jan. 14, 2004); report on news conference by ELIZABETH HILL (MPP 1975); <http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2004/01/14/MNGS649LVD1.DTL>

By Lynda Gledhill, Chronicle Sacramento Bureau

The state will face a \$6 billion budget shortfall -- double what Gov. Arnold Schwarzenegger predicts -- if lawmakers approve the budget he just proposed, the Legislature's independent analyst said Tuesday.

ELIZABETH HILL, who provides nonpartisan budget advice to the Legislature, said Schwarzenegger's budget is a solid starting point but cautioned that lawmakers should examine all possible solutions, including raising taxes, when deciding how to deal with the state's finances....

Respected by lawmakers in both parties, HILL has worked as the chief budget analyst for 18 years. The office, which is paid for jointly by the Assembly and Senate, conducts detailed analysis of the state's finances and is used extensively throughout the process of drafting the state's budget. HILL will release a more detailed examination of Schwarzenegger's proposed budget next month....

11. "Analyst prescribes tax hikes. Deep spending cuts, borrowing not the answer, state's adviser says" (Oakland Tribune, Jan. 14, 2004); article about news conference by ELIZABETH HILL (MPP 1975); <http://www.oaklandtribune.com/Stories/0,1413,82%257E1865%257E1890163,00.html#>

By Steve Geissinger, Sacramento Bureau

SACRAMENTO -- The Legislature's nonpartisan fiscal analyst said Tuesday that Gov. Arnold Schwarzenegger's proposed budget is not balanced, is shaky in some places, bolsters bureaucracy and suspends school funding guarantees -- all of which, critics say, breaks his

campaign vows.

The Schwarzenegger administration discounted or dismissed the criticisms in the most significant independent evaluation of the \$99 billion spending plan to date, but embraced Legislative Analyst ELIZABETH HILL's finding that overall the budget constitutes a "solid starting point for budget deliberations."

In her wide-ranging assessment that may further distance the Republican governor and majority legislative Democrats, HILL urged lawmakers to look beyond the governor's 2004-05 spending plan and consider other potential deficit remedies, including tax hikes and ending tax breaks....

12. "Budget 'a solid starting point'" (Contra Costa Times, Jan. 14, 2004); article on news conference by ELIZABETH HILL (MPP 1975); http://www.contracostatimes.com/mld/cctimes/content_syndication/local_news/7706449.htm

By Andrew LaMar

Sacramento - Gov. Arnold Schwarzenegger's \$99 billion budget balances next year but sets California up for a \$6 billion deficit by summer 2006, the Legislature's nonpartisan analyst said Tuesday.

In her first assessment of the Republican governor's four-day-old proposal, ELIZABETH HILL offered a mostly positive view, calling the plan "realistic" and "a solid starting point for budget deliberations."

However, HILL cautioned, as much as \$2 billion in cost-cutting or projected revenue could fail to materialize, and reductions to higher education, transportation and social assistance could have long-lasting negative impacts. She encouraged lawmakers to weigh taxes as an alternative.

"We're just saying that all options really have to be on the table," HILL said. "We think there are tax options that are worthy of the Legislature's consideration."

Republican and Democratic legislators applauded the report, with both claiming it bolstered their positions....

13. "Analyst: California budget is \$6 billion short" (Associated Press, San Jose Mercury News, Jan. 13, 2004); report on budget review by ELIZABETH HILL (MPP 1975); <http://www.mercurynews.com/mld/mercurynews/7701506.htm>

By Tom Chorneau

Sacramento, Calif. - One-time solutions included in Gov. Arnold Schwarzenegger's budget plan for 2004-2005 would leave California taxpayers facing another \$6 billion shortfall the following fiscal year, double the administration's estimates, an analyst for the Legislature said Tuesday.

The analyst, ELIZABETH HILL, called Schwarzenegger's \$99.1 billion budget plan "a good start," but said his mix of cuts, borrowing and fund shifts would not solve the state's financial problems and that lawmakers should consider raising taxes.

"The negative consequences of tax increases has to be compared against the negative

consequences of the alternative - deeper spending cuts and more borrowing," said HILL, whose office is charged with providing independent and nonpartisan budget advice to lawmakers.

HILL'S review represents the most significant evaluation of Schwarzenegger's plans to date....

FACULTY IN THE NEWS

1. "Runoff set for 'underdog,' incumbent" (Contra Costa Times, Mar. 04, 2004); article citing HENRY BRADY;
http://www.contracostatimes.com/mld/cctimes/content_syndication/local_news/8102945.htm?template=contentModules/printstory.jsp

By Peter Felsenfeld, Contra Costa Times

Everything up to now has been a warm-up. The real race to represent Contra Costa's 3rd Supervisorial District is about to begin.

After months of polite sparring, appointed incumbent Millie Greenberg of Danville and Byron school district trustee Mary Piepho were the top vote-getters in Tuesday's election.

Neither won a majority, so voters will choose a representative for the five-member Board of Supervisors in a runoff Nov. 2....

This year's no-shows make up a pool of more than 57,000 people for the candidates to court in the coming months. Greenberg edged Piepho by 1,394 votes.

Turnout typically spikes for November presidential races, said UC BERKELEY POLITICAL SCIENTIST HENRY BRADY. However, "it's hard to predict anything one way or another" as to the political bent of those did not vote in the primary, he said....

2. "Other views: A marriage, gay or straight, is first a civil union" (Sacramento Bee, February 29, 2004); op-ed by PROF. KIRP;
<http://www.sacbee.com/content/opinion/story/8363136p-9292882c.html>

By David L. Kirp -- Special To The Bee

[DAVID L. KIRP, A PROFESSOR OF PUBLIC POLICY AT THE UNIVERSITY OF CALIFORNIA AT BERKELEY, is the author of *Almost Home: America's Love-Hate Relationship with Community*.]

"Our nation must defend the sanctity of marriage."

You'd be pardoned for assuming that this declamation, with its overtly theological overtones, had been lifted from a Sunday sermon, but it actually comes the recent State of the Union address. To President Bush, the implication was plain: Marriage must be the union of a man and a woman, because that is in "God's sight."...

As a private citizen, the president is of course entitled to his belief that he knows what is in

God's sight. So are those who speak of holy matrimony or who venerate marriage as a sacred covenant and a sacrament. But the rhetoric used by opponents of same-sex marriage conflates private beliefs with public values, the church altar with the public square....

When it comes to marriage, the French have the right idea. There, every couple must first be married in a civil ceremony, which is usually held at the town hall and presided over by the mayor. Only after that event - and only if a couple opts for it - is there a religious ceremony. The theory is that the civil ceremony is a declaration of the couple's love before man, while the religious ceremony is a declaration before God.

Still, the French haven't authorized same-sex marriage, opting instead to craft a version of marriage lite called civil solidarity pacts. While we're unlikely to take our cue from Old Europe and turn matrimonial responsibilities over to mayors, we'd do well to unpack the double meaning of marriage as a word that carries both secular and sacred connotations. The logical way to accomplish this would be to call state-sanctioned marriage, whatever the gender of the partners, what it really is: a civil union.

3. "'Offshoring' Can Create Jobs, Too" (Los Angeles Times, February 29, 2004); column citing Visiting Professor ROBERT REICH;
<http://www.latimes.com/business/la-fi-flan29feb29,1,5762690,print.column>

By James Flanigan

As a hot-button political issue, "offshoring" is off the charts.

White House economic advisor Gregory Mankiw sparked more than a little controversy when he proclaimed that outsourcing jobs to other countries was "just a new way of doing international trade" and "a plus for the economy in the long run."

Roundly criticized by members of both parties in Congress, Mankiw later retreated, saying he was misinterpreted and that "concerns about job losses in the United States are important."...

ROBERT REICH, who served as Labor secretary in the Clinton administration and TEACHES AT UC BERKELEY, is among those who marvel at the adaptability of the U.S. economy.

"One quarter of the jobs we have today did not exist 25 years ago," he notes.

Of course, getting from here to there is not always so easy.

With that in mind, the government needs to do much more to help those displaced by offshoring. REICH and the consultants at McKinsey recommend wage insurance for workers whose lives are upended by global competition. Under such a system, a worker whose job heads overseas would be paid by private or government insurance half his salary for a year or two, easing the transition to new work....

4. "Battle over outsourcing heats up" (Contra Costa Times, February 29, 2004); article citing Visiting Professor ROBERT REICH;
<http://www.contracostatimes.com/mld/cctimes/business/8070791.htm?template=contentModule/s/printstory.jsp>

By Art Pine and Brendan Murray - BLOOMBERG NEWS

Delta Air Lines Inc. created 1,000 call-center jobs last year in India. Hiring by Delta and other foreign employers is spurring the country's economy to the second-fastest growth rate in Asia behind China.

Atlanta-based Delta says the move also helped the U.S. economy. The Indian operations saved \$25 million in 2003, enabling the No. 3 U.S. air carrier to add 1,200 positions for reservations and sales agents at home, North America reservations director Debbie Siek said. "No Delta employee lost his or her job as a result of outsourcing," she said.

General Electric Co., which has created 20,000 jobs in India since 1997, and economists including Stephen S. Roach of Morgan Stanley & Co. also say such moves can benefit the United States over time. Yet any case they make for economic advantages of so-called outsourcing is turning out to be a tough sale this election year. ...

The debate intensified on Feb. 9, when Gregory Mankiw, chairman of the White House Council of Economic Advisers, said "outsourcing is just a new way of doing international trade" that may help the U.S. economy "in the long run." A White House economic forecast he presented to Congress that day said that "when a good or service is produced more cheaply abroad, it makes more sense to import it than make or provide it domestically." ...

Mankiw's comments drew criticism from Republican lawmakers as well, including Speaker of the House Dennis Hastert....

Kerry, who is leading the Democratic Party's race to become Bush's official opponent, promised "to repeal every tax break and loophole that rewards any Benedict Arnold CEO or corporation for shipping American jobs overseas." ...

The political rhetoric does ignore the economic reality, said ROBERT REICH, former labor secretary for Democratic President Bill Clinton and now a visiting professor at UC BERKELEY.

"Mankiw and the administration stated the economic theory correctly," REICH said in an interview Wednesday. "The problem is that theory is of little solace to workers who are losing their jobs or are in danger of losing their jobs."...

5. "Meet the Zippies" (New York Times, Feb. 22, 2004); op-ed citing Visiting Professor ROBERT REICH; [* requires registration]
<http://query.nytimes.com/gst/abstract.html?res=F4081FFF34590C718EDDAB0894DC404482>

By Thomas L. Friedman

...[F]asten your seat belt, because you may soon lose your job to a "zippie" in the 2000's.

"The Zippies Are Here," declared the Indian weekly magazine Outlook. Zippies are this huge cohort of Indian youth who are the first to come of age since India shifted away from socialism and dived headfirst into global trade, the information revolution and turning itself into the world's service center. Outlook calls India's zippies "Liberalization's Children,"

With 54 percent of India under the age of 25 -- that's 555 million people -- six out of 10 Indian households have at least one zippie, Outlook says. And a growing slice of them ... will be able to do your white-collar job as well as you for a fraction of the pay. Indian zippies are one reason outsourcing is becoming the hot issue in this year's U.S. presidential campaign....

"The fundamental question we have to ask as a society is, what do we do about it?" notes ROBERT REICH, the former labor secretary and now Brandeis University professor. "For starters, we're going to have to get serious about some of the things we just gab about -- job training, life-long learning, wage insurance. And perhaps we need to welcome more unionization in the personal services area -- retail, hotel, restaurant and hospital jobs which cannot be moved overseas -- in order to stabilize their wages and health care benefits." Maybe, as a transition measure, adds Mr. Reich, companies shouldn't be allowed to deduct the full cost of outsourcing, creating a small tax that could be used to help people adjust....

6. "Cal's 'genius' political professor is often ahead of his time" (Contra Costa Times, Feb. 20, 2004); article citing AARON WILDAVSKY;
http://www.contracostatimes.com/mld/cctimes/news/local/states/california/counties/alameda_county/cities_neighborhoods/berkeley/7998879.htm?template=contentModules/printstory.jsp

By Martin Snapp, Staff Writer

Why is there a logjam in Congress? Why has the debate turned so partisan? Why did the South, which used to be solidly Democratic, become so staunchly Republican? It's all because of air conditioning.

That's the thesis of a new book, "How Congress Evolves," by UC Berkeley Professor Nelson Polsby, former director of the university's Institute Of Governmental Studies.

At the same time, Polsby's classic "Presidential Elections," which he co-authored in 1964 with the late AARON WILDAVSKY, DEAN OF THE UNIVERSITY'S GRADUATE SCHOOL OF PUBLIC POLICY, has just been updated in an unprecedented 11th printing. It's the fourth update since WILDAVSKY died in 1993, but Polsby still keeps his name above the title, explaining simply, "He was my friend." ...

7. "Case Study: Cellphones. The Bright Side of Sending Jobs Overseas" (New York Times [*requires registration], February 15, 2004); article citing Visiting Professor ROBERT REICH;
<http://www.nytimes.com/2004/02/15/weekinreview/15porter.html?pagewanted=print&position=>

By Eduardo Porter

For most politicians - Democratic or Republican - the issue of outsourcing jobs to faraway countries is a no-brainer: It's bad for the United States economy and it's even worse for their careers, especially in an election year when the work force has just lost more than two million jobs. So it is unsurprising that politicians of both parties ripped into N. Gregory Mankiw, chairman of the president's Council of Economic Advisers, when his annual economic report on Tuesday made precisely the opposite point: that if services like software programming can be done more cheaply in India, it makes sense for companies to procure them there. Outsourcing will ultimately enhance their productivity.

Yet while debate is raging over globalization's costs and benefits, Mr. Mankiw's comments are based on solid, age-old economic arguments. Most economists agree that higher productivity - whether it comes from trade, outsourcing or technology - is good, even when it creates pain for many workers.

"Outsourcing does not reduce the total number of jobs in America," said ROBERT REICH [visiting professor at the GOLDMAN SCHOOL OF PUBLIC POLICY, UC BERKELEY] who served as labor secretary under President Bill Clinton. "If other countries can do something cheaper we ought to let them do it, and concentrate on what we can do best."...

Yet most economists agree that the impact on productivity, economic growth and jobs should be similar to that of the outsourcing of hardware in the late 1990's. Prices of technology services will fall, technology will become more pervasive, and jobs will be created as businesses find new things to do with the technology.

"We tend to keep the high end of the value chain," said Janet Yellen, an economist at the University Of California at Berkeley who was head of Mr. Clinton's Council of Economic Advisers. "We're outsourcing the more standardized part of high tech."...

What to do? Labor unions would support legislation that slowed globalization down. Others, like Mr. REICH, want more comprehensive employment insurance.

8. "Halliburton accused of wasting tax dollars. Ex-employee: Firm overspends in Iraq" (San Francisco Chronicle, February 14, 2004); article citing HENRY BRADY; <http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/02/14/MNG3R517C81.DTL&type=printable>

By David R. Baker, Chronicle Staff Writer

For government contractor Halliburton, it was precisely the kind of federal attention the company didn't want....

Now the mounting accusations are turning Halliburton into a campaign issue....

"The Democrats are, right now, at a moment when issues like Halliburton can get a hearing, and they're going to keep pushing and pushing," said HENRY BRADY, A PROFESSOR OF POLITICAL SCIENCE AND PUBLIC POLICY AT UC BERKELEY.

For Democrats, BRADY said, the very mention of Halliburton evokes two issues they hope will shape this year's presidential election: the Iraq war and Enron-style corporate scandals.

"It's a catch phrase for what is problematic with this administration," he said....

9. "Bush clammers aboard a convenient political bandwagon" (San Francisco Chronicle, February 13, 2004); news analysis citing Prof. ROB MACCOUN; <http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/02/13/MNG8J4VK8N35.DTL&type=printable>

By Marc Sandalow, Washington Bureau Chief

Washington -- Not since Nancy Reagan urged America's youth to "just say no" has a White House so publicly thrust itself into an anti-drug campaign as the Bush administration has done in its crusade against steroid use among athletes.

Attorney General John Ashcroft made a rare appearance before television cameras Thursday to decry the "tragedy of so-called performance-enhancing drugs ... that foster the lie that

excellence can be bought rather than earned. "

Three weeks earlier, President Bush called on team owners, coaches and players "to take the lead, to send the right signal, to get tough and to get rid of steroids now" in his State of the Union address.

With millions of Americans battling alcoholism and hard drug abuse, with Iraq in turmoil, Osama bin Laden at large and millions of Americans out of work, Democrats have ridiculed Bush's focus on steroids. Public health experts express surprise the matter has risen to a level of presidential concern. And even some Republican strategists wonder why Bush is using his bully pulpit at the start of an election year to promote an issue of such seemingly narrow concern. ...

White House spokesman Ken Lisaius said the president, who invited New England Patriots quarterback Tom Brady to sit in the first lady's box during his State of the Union address, "wanted to ensure that the role models in our country don't send the wrong message about substance abuse to kids."

"As a matter of public health policy, it is very hard to defend that prominence," said PROFESSOR ROBERT MACCOUN, A PROFESSOR OF LAW AND PUBLIC POLICY AT UC BERKELEY.

MACCOUN said that while steroid use was "not a trivial problem, it's just very hard to put it on the same scale as some of the other health problems we deal with," including alcohol, tobacco, HIV and obesity.

"It's pretty far down the list," MACCOUN said....

10. "Bush's Budgets to Add \$10 Trillion to U.S. Debt" (Berkeley Daily Planet, February 10, 2004); op-ed by Visiting Professor Robert Reich; <http://www.berkeleydaily.org/article.cfm?issue=02-10-04&storyID=18245>

By Robert B. Reich, © Featurewell (2-10-04)

[ROBERT REICH, former secretary of labor in the Clinton administration, is professor of social and economic policy at Brandeis and the author of "Reason: Why Liberals Will Win the Battle for America," out in May from Knopf. He is teaching at UC BERKELEY'S GOLDMAN SCHOOL OF PUBLIC POLICY spring semester.]

It's hard for most people to get their brains around a \$521 billion deficit. Most of us have a hard enough time envisioning a million dollars, let alone a billion-which is, of course, a thousand million. Try to think about 521 thousand million dollars-which is next year's budget deficit-and your mind just closes down. A kind of numbness sets in.

Still, I want you to concentrate on a very practical question. Who's going to lend the government that 521 billion dollars? In point of fact, it's going to be the foreigners and the wealthy Americans who buy treasury bonds. And of course, eventually, we--you and I and our children--will have to pay that money back. There was a time not long ago in American history when the nation's richest citizens helped finance the government by paying a high percentage of their incomes in taxes. Under President Dwight Eisenhower, for example, the highest marginal tax rate was 90 percent. Now, America's richest citizens finance our government primarily by lending it money.

Not to worry, though. The president promises to cut the budget deficit in half over the next five years. But here's the catch. You've heard of balloon clauses in loan agreements, haven't you? A balloon clause says you start out paying back a little bit and then your payments increase until you're walloped with huge payments later on. The president's budget is like that. The really big-ticket items hit more than five years from now, starting in 2009.

Here's one example. The White House admits that the 10-year cost of the new Medicare drug benefit will be more than half a trillion dollars. But what no one's saying is that most of this kicks in after 2009, when the baby boomers begin retiring and taking advantage of the drug benefit.

Or consider the tax cuts. If they're made permanent, as the president wants, the loss of revenues over the next 10 years will be five and a half trillion dollars. And here's the kicker: Most of this occurs after 2009. That's because the tax cuts start out relatively small and grow.

By the year 2014, according to recent estimates from the Congressional Budget Office, the president's budget will have added more than 10 trillion dollars to the national debt. And most of this happens after 2009. So cutting the deficit in half over the next five years doesn't mean all that much, even if the promise is kept. Did you hear me? Ten trillion dollars. That's ten thousand billion. Ten trillion dollars is just about the value of everything that everyone in this nation produces in an entire year.

Ten trillion dollars-with the biggest balloon clause in the history of the world.

11. "Orinda Journal: Debate Over Shelter Forces Town to Confront Its Beliefs" (New York Times [*requires registration], February 2, 2004; article citing STEVEN RAPHAEL; <http://www.nytimes.com/2004/02/02/national/02ORIN.html?pagewanted=print&position=>

By Carol Pogash

Orinda, Calif., Jan. 29 - On a recent wintry night, when officials here made a hurried decision to open a vacant library building to the homeless, they inadvertently exposed the conflicted soul of a privileged city.

Faced with the prospect of playing host to 75 "guests," as the homeless from several nearby communities were called, residents grew so polarized that many could not meet the eyes of friends and neighbors with whom they disagreed.

The temporary shelter never opened because of the outcry. In the end, the debate proved much bigger for Orinda than the shelter or even the broader problem of homelessness in the San Francisco Bay area.

It cut to the core of how residents feel about themselves and their fellow human beings and whether they believe that luck had anything to do with their ability to settle in this bucolic community of mostly well-to-do professionals 22 miles east of San Francisco....

Yet when it came to housing the homeless, Orinda discovered it was more ordinary than extraordinary.

"A temporary shelter would probably draw opposition in most communities in this nation," said STEVEN RAPHAEL, AN ASSOCIATE PROFESSOR OF PUBLIC POLICY AT THE UNIVERSITY OF

CALIFORNIA AT BERKELEY who has researched the subject....

12. "Shakespeare, Einstein, and the Bottom Line" (NPR, Weekend All Things Considered, Jan. 31, 2004),

NPR's Steve Inskeep talks to DAVID KIRP, author of a new book about the commercialization of higher education in America called Shakespeare, Einstein, and the Bottom Line: The Marketing of Higher Education. (Published by Harvard University Press.)

<http://www.npr.org/run downs/rundown.php?prgId=2&prgDate=31-Jan-2004>

SI: Some of the nation's leading universities have been testing out the theory of that a college might run better if it acted more like a business. Various schools, public and private, have reorganized, altered their management styles, formed alliances with corporations, and, for better or worse, those changes have affected the education available to millions. The writer and college professor, DAVID L. KIRP, has traced this trend in a book called Shakespeare, Einstein, and the Bottom Line...

SI: So, what is really different about universities in general than they were 20 years ago?

DLK: The biggest difference isn't the need for money. Universities have needed money forever--if that weren't the case the idea of "legacy" wouldn't have a college-specific meaning, but the amount of money needed has grown enormously because of big science and other huge demands, and the drive for prestige, even as traditional sources of money, particularly state dollars, have dried up....

SI: People like to talk about ivory towers, and institutions that are separate from the business world, but you write about a world where corporate buzzwords and buzzphrases are very prevalent.

DLK: I don't want to romanticize what academe used to be like. There's always been this money concern, but now the language of money, the ethic of money, the idea of money -- markets, competition, total quality management, responsibility center management, and on and on and on -- have all gotten imported, not just because they're necessary, not just because schools need to raise money, but because they are thought to represent the good. And sometimes I think it's a good thing. Sometimes the market wakes up tired institutions, sometimes competition makes an institution really figure out what it's all about other than its own convenience. The danger, to me, the good and bad parts of the market arise, when universities forget what they are about....

13. "Advocacy group seeks signatures for measure to decriminalize prostitution" (Contra Costa Times and wire service sources, January 30, 2004); article citing Prof. ROB MACCOUN; [the full article will

be available on the Web for a limited time]

http://www.contracostatimes.com/mld/cctimes/news/local/states/california/counties/alameda_county/cities_neighborhoods/berkeley/7833861.htm

**By John Geluardi
CORRESPONDENT**

A sex workers' rights group is mobilizing to put a ballot measure before the city's voters that

calls for the decriminalization of prostitution. ...

"This is an idea whose time has come," [Sex Workers Outreach Project executive director Robyn] Few said. "The Berkeley initiative is only a beginning. The public is tired of prostitutes being treated as second-class citizens."...

Few said a 2003 Supreme Court decision is evidence that the courts and the public are ready for modified prostitution laws. In *Lawrence vs. Texas*, justices struck down a same-sex sodomy conviction because it was a private act between two consenting adults. Few said the decision set a broad precedence for the sexual privacy between consenting adults that should include prostitution.

However, UC BERKELEY LAW AND PUBLIC POLICY PROFESSOR ROBERT MACCOUN said Few's comparison between prostitution and the Texas case is clever, but ultimately not persuasive.

"The main difference is that with prostitution you have the element of commerce, which creates the opportunity for exploitation," he said. ...

14. "Access Denied: Low-income students are hit hardest by the latest round of tuition hikes and budget cuts" (National Crosstalk, Winter 2004); article by DAVID KIRP, with research assistance by BRYAN QUEVEDO (MPP 2005); <http://www.highereducation.org/crosstalk/ct0104/voices0104-access.shtml>

By DAVID L. KIRP

[DAVID L. KIRP, PROFESSOR OF PUBLIC POLICY AT THE UNIVERSITY OF CALIFORNIA AT BERKELEY, is the author of the recently published "Shakespeare, Einstein, and the Bottom Line: The Marketing of Higher Education" (Harvard University Press, 2003). Research assistance for this article was provided by BRYAN QUEVEDO.]

It was page-one news last fall when a "confidential" report on [UC] Berkeley admissions, prepared for UC Regent (and San Diego Padres owner) John Moores, showed that in 2002 the university admitted nearly 400 students with combined SAT scores below 1000 while turning away 600 applicants with scores above 1500. Just a few months earlier in the University of Michigan cases, the U.S. Supreme Court had upheld the use of race to promote diversity in college admissions, and the rancor generated by that decision carried over into this new contretemps.

Admissions judgments don't, and shouldn't, rest on the results of a three-hour test, Berkeley officials argued; the process of "comprehensive review" properly takes into account high school academics, life experiences and the like. However, when an analysis of 2001 admissions data showed that minorities with low SAT scores were nearly twice as likely as whites to be admitted, Moores and fellow regent Ward Connerly went after Berkeley (and UCLA, where the figures were similar) for doing an end-run around Proposition 209, the California measure authored by Connerly that bans affirmative action. ...

The University of California has led the way nationwide in demonstrating that, compared with high school grades and scores on subject matter-oriented tests (the "SAT 2s"), SAT 1 "aptitude" tests do a bad job of predicting academic success, while favoring students whose parents can afford to send them to cramming schools. ...

The performance of those 400 low-SAT-scoring students is a case in point--academically they are all making the grade at Berkeley. So, tellingly, are the students who transfer from community colleges. Seemingly everyone admires the transfer program, including those who decry affirmative action or "comprehensive review." After all, the policy of admitting students who have done well in community college to an elite university embodies iconic American values--that judgments should be based on the content of a man's character (to borrow the felicitous phrasing of Martin Luther King Jr.) and not the color of his skin, that hard work pays off, that there are second chances in American lives, that public universities serve as engines of mobility. The fact that, at Berkeley, these transfer students have similar majors and about the same graduation rates as students who come to the campus as freshmen is taken as confirming the wisdom of the policy....

15. "Who pays to study? When universities depend on taxpayers, their independence and standards suffer" (The Economist, Jan. 22, 2004); article cites MARTIN TROW; http://www.economist.com/printedition/displayStory.cfm?Story_ID=2367332

It is depressing to visit Oxford or Cambridge these days. The old buildings are so wonderfully grand that they highlight the cheap, ugly and badly kept new ones. The intellectual history is stunning, too: this is where Newton pondered gravity, and Occam honed his razor. But these days academics at Britain's two finest universities are a harried, ill-paid lot; salaries start at a mere £14,139 (\$25,733)....

It is not just that money is short. The price and quantity of courses are state-controlled, in a system more suited to Soviet central planning than to a modern democracy. And as with other planned economies, the result of government intervention is increasingly unsatisfactory. In Britain, over 30 years, universities have gone from being almost wholly autonomous, with state-financed block grants handed out at arm's length, to becoming branch offices of a government ministry....

No wonder, then, that British and European academics cast envious and wondering eyes at the American university system. It manages both quantity and quality: more than 60% of American high school graduates at least start some form of tertiary education. And it keeps standards high, too....

Why does America succeed where Europe fails? The most important factor is diversity. American higher education is not just more varied, but has less of the crippling snobbery and resentment that accompanies variety in, say, Britain. At the bottom of the pyramid are community colleges, offering inexpensive, flexible, job-focused courses for millions of Americans each year. They are pretty basic, and Britons sniff at them. But the difference in mentality, says MARTIN TROW, an observer of both the British and American education systems, is that in America "something is seen as better than nothing".

Crucially, too, the different bits of the system fit together. As Mr TROW points out, a student can start in a California community college, earn some credits, move on to state university and finish up taking a degree at Berkeley. Such a path would be inconceivable in most countries in Europe. In France, for example, the division between the state-funded, mass-market universities and the grandes écoles is vast and jealously guarded. Britain's further-education colleges are the poorest relations of an already impoverished family....

16. "Berkeley: Ex-Labor Secretary to visit for semester" (San Francisco Chronicle, January 20, 2004); article on Visiting Professor ROBERT REICH;
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/01/20/BAG6R4D16P1.DTL&type=printable>

By Charles Burress

Former U.S. Labor Secretary ROBERT REICH, one of the nation's most outspoken Democratic critics of the Bush administration, will teach a course at UC BERKELEY when spring semester classes begin today. Reich, who served in the Clinton administration and is co-founder of American Prospect magazine, will teach a twice-weekly graduate course on why the distributions of earnings, wealth and opportunity are diverging in the United States.

REICH, a Brandeis University professor, will be a DISTINGUISHED VISITING SCHOLAR AT CAL'S GOLDMAN SCHOOL OF PUBLIC POLICY. He'll also deliver public lectures and work on a book about leadership and change.

He will also address the domestic agendas of the Democratic presidential candidates during a noontime welcoming reception at the Goldman School on Jan. 28.

Reich is the author of 10 books, a regular commentator on National Public Radio and a frequent contributor to newspaper op-ed pages. A former Rhodes Scholar at Oxford and law school graduate from Yale, Reich won the 2003 Vaclav Havel Prize for his contributions to social thought.

17. "It's jobs, stupid. Democrats Pursuing White House Could Offer 3 Sensible Steps To Full Employment" (San Jose Mercury News, Jan. 19, 2004); op-ed by Visiting Professor ROBERT REICH;
<http://www.mercurynews.com/mld/mercurynews/news/editorial/7747262.htm?template=contentModules/printstory.jsp>

By Robert B. Reich

[ROBERT B. REICH, Secretary of Labor In the Clinton Administration, is Hexter Professor of Social And Economic Policy at Brandeis University, and DISTINGUISHED VISITING FELLOW AT THE UNIVERSITY OF CALIFORNIA-BERKELEY.]

"Jobless" recoveries aren't supposed to go on this long.

If the current economic recovery were like most previous ones, businesses would have started hiring again when demand for their products picked up. That hasn't happened, and more than two years after the economy started turning out more goods and services, Americans find themselves wallowing in the most anemic jobs recovery on record.

Productivity is soaring, but that's mainly because fewer workers are doing more. At least 150,000 new jobs have to be created each month just to keep up with the growing population of potential workers. We haven't come close. As we learned earlier this month, the private sector produced a paltry 1,000 new jobs in December....

18. "High costs take toll on Bay Area. Region could lose competitive edge, study warns" (San

Francisco Chronicle, January 14, 2004); article citing JOHN QUIGLEY;
<http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2004/01/14/BUGSC49D731.DTL&type=printable>

By Sam Zuckerman, Chronicle Economics Writer

The Bay Area is choking on high costs, a study set for release today warns.

Long an expensive place to live and do business, the region has seen its cost disadvantage with the rest of the nation worsen in the last few years, the report from the Bay Area Economic Forum concludes. And that is threatening the Bay Area's status as the wealthiest and most productive metropolitan area in the United States....

High productivity is measured by the value of what is produced. It means that the industries that are strong in the Bay Area, such as information technology, biotechnology and financial services, create goods and services that are highly valued in the marketplace and generate lots of income.

"This region specialized in industries that have higher productivity," said UC BERKELEY ECONOMIST (and professor of Public Policy) JOHN QUIGLEY.

It's important to adjust productivity statistics for costs because the prices of what the area produces determine real wealth. For example, a newly built home in the Bay Area might cost \$500,000. A similar home in Des Moines might cost \$250,000.

The Bay Area's output would appear twice as large as Des Moines', even though only one house was built in each location....

RECENT FACULTY SPEAKING ENGAGEMENTS and EVENTS

January 23 Association of American Colleges and Universities, Washington, District of Columbia. DAVID KIRP talked about his book, *Shakespeare, Einstein, and the Bottom Line: The Marketing of Higher Education*, published by Harvard University Press. In the book, the author examines the commercialization of higher education, and attempts to assess the effects of market forces and business policies on the quality and integrity of colleges and universities. While schools are increasingly adopting such strategies, Mr. Kirp argues that the results have been mixed. He also outlines what he feels are some of the best and worst approaches employed by these institutions. Mr. KIRP read from his book and responded to questions from the audience. This talk was seen on C-Span2 on February 14 and February 28. Video is available at:
<http://inside.c-spanarchives.org:8080/cspan/fullschedule.csp?timeid=211943476133>

January 30 GSPP's International Public Policy Speaker Series presented a talk by Ivan Grdesic, Ambassador of Croatia to the United States: "Croatia at a Crossroads."

February 13 and 27 GSPP's Executive and International Programs, in collaboration with the Institute of Governmental Studies and the University of California Center in Sacramento, hosted senior California legislative budget staff, who participated in the BERKELEY EXECUTIVE

SEMINAR ON THE CALIFORNIA BUDGET.

February 25 **Great Decisions 2004: "Weapons of Mass Destruction" with Prof. HAROLD P. SMITH, visiting scholar, Goldman School of Public Policy, at the Berkeley City Club.**

February 27 **"Taxicab Regulation and Public Policy Analysis: A Practitioner's Perspective"**
BRUCE SCHALLER (MPP 1982) gave a talk on his work involving taxi regulatory issues

February 27 **A POLITICAL LIFE: CONVERSATIONS WITH YOUNG ELECTED OFFICIALS.**
Prof. ROBERT REICH hosted this talk with Arizona State Senator Gabrielle Giffords who, at the age of 33, is already one of the fastest-rising stars in the Democratic Party.

BOARD OF ADVISORS IN THE NEWS

JOSEPH EPSTEIN, Chair of the Visibility Committee, and identified as a member of GSPP's Board of Advisors in his radio commentaries, was heard in three recent "Perspectives" on KQED-88.5 FM.

"Civic Engagement, The Real Issue"

"...Many are calling the [recall] election a symptom of a broken system of governance, while others refer to [it] as a product of a Hollywood imagination gone mad. I submit, that this is exactly what this state and this country needs. ... The apathy of the electorate that has resulted from the control of public policy by ... special interest groups has brought us to this place in time. The voters have an opportunity and a duty to vote in this recall election. ... Think of this election as an opportunity to express your dissatisfaction with the status quo. Yes, the system is sick, but we all have the opportunity to help it recover."

"The American Welcome Mat"

"In the 1990's, over 50% of my workforce was from Mexico. ... The fact that they were [here] legally was important to me, because I supported a system that was intended to protect the rights of all workers while expecting them to be responsible, participants in our community. ... In contrast, Bush's policy rewards those who have broken the law...."

"Doing Business In China"

"...As a prudent businessman, I am called upon regularly to reconcile the essential requirement that my company remain competitive with the fundamentally important issues of human rights and socially responsible business practices. This is a daunting task indeed [when doing business with China, a country that notoriously does not adhere to the same principles nor is restricted by the same mandates]. ...Of course, the over-arching question is what will be the ultimate effect of China's economic policies on the loss of jobs here at home. The creation of jobs is central to the president's economic recovery plan. But he must level the economic playing field with China if he is going to accomplish this. As an individual businessman, I cannot afford to cease doing business with China if I am to maintain a viable business. But the Bush administration has the clout to vigorously uphold our trade laws. He must make China adhere to its W.T.O. commitments or risk losing the open access to our markets that China now enjoys."

UC TV LISTINGS

GSPP programs air on primetime UCTV. UCTV is available to almost 12 million households nationwide via satellite (Dish Network, Channel 9412) and on local cable throughout California. UCTV broadcasts during specified times in the Bay Area on the following channels:

**Berkeley, Channels 33 & 28 (Comcast)
San Francisco, Channel 27 (Comcast)**

UCTV's programming schedule can be found at: <http://www.uctv.tv/schedule.asp>

**Programs that have been encoded to watch over the internet are located here:
<http://www.uctv.tv/library.asp> Specific programs from GSPP that are available in UCTV's Video on Demand library are listed below:**

**A Year and a Half After 'Black September': Problems and Prospects of International Anti-terrorist Coalition
<http://www.uctv.tv/library-test.asp?showID=7612>**

**An Update on the War on Terrorism and Iraq with Dean Michael Nacht
<http://www.uctv.tv/library-test.asp?showID=7055>**

**Daniel Ellsberg: "Secrecy, Freedom and Empire" - Lessons for Today from Vietnam and the Pentagon Papers
<http://www.uctv.tv/library-test.asp?showID=7041>**

**Dr. Marion Nestle: Food, Politics and the Obesity Epidemic: How the Food Industry Influences Diet and Health
<http://www.uctv.tv/library-test.asp?showID=7606>**

**Goldman School of Public Policy Conversations: Kirp & Thompson
<http://www.uctv.tv/library-test.asp?showID=7604>**

**Harmat Karzai, the First Secretary to the Embassy of Afghanistan in Washington, DC: Planting the Roots of Peace in Afghanistan
<http://www.uctv.tv/library-test.asp?showID=7602>**

**Alexey Arbatov, Deputy Chairman, Committee on Defense for the Russian State Duma: Superterrorism - Implications for a New Common Security Strategy
<http://www.uctv.tv/library-test.asp?showID=7614>**

Programs premiering in March 2004 on local cable TV:

**"Young, Beautiful and Dead: Growing Up with Disease and Democracy in South Africa" (#8466)
DAVID HARRISON (MP 2000), CEO of loveLife, South Africa's national HIV prevention campaign for teenagers, discusses the dilemmas facing post-Mandela youth, the implications for HIV prevention in South Africa, and the real prospects of reversing the epidemic over the next five to ten years. First primetime airing: March 8, 2004, 6:00 p.m. and 9:00 p.m.**

"The Truth About Medical Marijuana" (#8463)

A panel of legal and medical experts (featuring ROBERT J. MACCOUN) join author Ed Rosenthal in a discussion on the impact of state laws allowing medical marijuana versus federal efforts to override all decriminalization statutes in this forum sponsored by the Independent Institute, Harper's Magazine and the RICHARD & RHODA GOLDMAN SCHOOL OF PUBLIC POLICY at UC Berkeley. First primetime airing: March 22, 2004, 6:00 p.m. and 9:00 p.m.

If you would like further information about any of the above, or hard copies of cited articles, we'd be happy to provide them.

Sincerely,

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(This digest was edited by Theresa Wong)