



B-HERT Distinguished Speaker Luncheon

Friday, 30 July 2010

GUEST SPEAKER:

His Excellency Ambassador Jeffrey L Bleich
Ambassador of the United States of America to Australia

The Business/Higher Education Round Table (B-HERT) was privileged to have His Excellency Mr Jeffrey L Bleich as a Distinguished Speaker during a luncheon on **Friday, 30 July 2010**.

Jeffrey Bleich introduced his presentation by sharing his personal passion about the value of education and its contribution to society. Competitiveness is the nexus between business and higher education and the US competitiveness agenda recognises that it is not going to win in a race to the bottom. It is accepted that to be competitive in a global economy requires innovation along with a workforce capable of innovation. This is the context of the Obama economic agenda: 1) **healthcare** is a priority because inefficiency and excess costs are self-inflicted wounds that prevent the US from competing globally with nations not bearing these extra costs; 2) **energy** usage is similarly unsustainable for the US economy in the next 100 years; despite the fact that fossil fuels will continue to be important in years to come, new technology will not be able to pick up increased demands let alone meet existing demands. The issue is how fast the US needs to move over the coming years. This is where innovative technology comes into play. We need to rely on the wise minds from universities and the business sector together in order not to be left behind; 3) the US **economy** is coming out of the global financial crisis perhaps even better than expected (three positive quarters, employment growing); the reason for the problems remain but are now being addressed with the new major Financial Reform Bill which will strengthen regulation. The biggest problem will be in ensuring its implementation.

A common problem underlying all 3 priority issues identified above (healthcare, energy, financial integrity) is short-sighted partisan approaches. A strong economy is formed with the best minds coming together and working together eg California Universities, Silicon Valley, Great individuals and innovation comes from the best minds. California is a case in point and sadly has now forgotten that recipe. It has neglected the importance of the investment in education. The effect is palpable now with the Californian economy struggling. It has lost its bearings in terms of investment in education and needs to re-group.

The Obama education agenda follows the same principles introduced in California in the 1960's ie education leads to better incomes. There is a need to get more people into post-secondary education because a more educated community can deal with the challenges. The Administration has injected \$48 billion into higher education and now another \$17 billion into grants and incentives. By 2020, the US will have the highest percentage of its population in the world attending some form of college. To measure the success all we need do is look in 2020 if we have the highest per capita college graduates in the world. If that is the case, then the US will be the most successful nation in the world.

Business people understand investment and they will invest if there is a long-term pay off. A Cal State study showed that for every \$1 put into education, the state gets a return of over \$4, a 400 per cent return. Business leaders need to be making the case for investment in education; they need to debate about the fundamental features of society to make it strong and grow. No one can make the case better than the business community because although academics know and believe the argument, when they make the case it sounds self serving.

Sharon Winocur
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