

Demographic Growth and Higher Education
"California at 50 Million" Colloquium
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Professor Dowall, thank you for organizing this critically important and very timely series of discussions about the future of California. I would like to describe California's projected demographic change and what the University of California is doing to accommodate the expected surge in California's college-age population.

California is once again undergoing a profound social transformation driven by two forces that have shaped the state throughout its history: dramatic demographic changes and the impact of science and technology.

Education, and higher education in particular, will be key to the successful outcome of this transformation. Education is at

the nexus of these two forces. It is the principal means of upward social mobility in the United States. And the new knowledge produced by university research is the basis for social, economic and other opportunities for Californians.

Three aspects of California's population changes will make it differ markedly from the rest of the country:

First is the rate of population growth. By 2025, California is projected to have a population of nearly 50 million people. The population is projected to grow more than in any other state – a 56 percent increase, which translates to 17 million additional people. California's birthrate is projected to be the highest of any state.

Second, California is expected to have the second youngest population in the United States. The youth of California's population will rank it second only to Alaska. Thirty-three

percent of California's population will be under the age of twenty in 2025.

Third, the ethnic and racial composition is changing rapidly. By 2040, California's population is expected to grow by 70 percent. The Latino population is projected to grow by 163 percent, the Asian-American population by 127 percent, and the African-American population by 38 percent. The white population, by contrast, is projected to grow by only 3 percent.

If these projections become reality, there will be 10 million more Latinos than non-Hispanic whites living in California by 2040.

This change is already evident in the public elementary and secondary schools, where Latino students have increased from 34 percent of the K-12 student population in 1990 to nearly 50 percent today.

As the baby boom generation retires, there will be an enormous demand for well-educated people to replace these

retirees. Advances in science and technology will also create new companies and entire new industries, further fueling the demand for a highly educated workforce. If California is able to educate its children and meet this challenge, the Census Bureau estimates that California could have one of the best “dependency ratios” in the country. The dependency ratio refers to the percentage of the population in the workforce compared to the percentage not working (either because they are too young, or because they have retired). This positive dependency ratio could give California a comparative economic and social advantage over other states.

The University of California has been working intensively to accommodate the current surge of undergraduate enrollment growth that is expected to continue through 2010:

- Enrollment. Over the 12-year period 1998 through 2010, we have planned for enrollment growth of 63,000 full-time equivalent students. So far, we have added nearly 38,000

full-time equivalent students, or roughly 60 percent of the total planned growth.

- Faculty. We have been averaging approximately 525 faculty hires each year for the last several years, and we have hired approximately 3,000 new faculty since 1998. This number is about half of the 6,000 new faculty we estimate we will need to hire by 2010.
- Facilities. With the support of the state's voters, we have been on an aggressive track to build and renovate campus facilities, including opening the new UC Merced campus this fall. As of fall 2004, UC has achieved 86 percent of the space standard that the California Postsecondary Education Commission says we should have for our current student enrollment. With the completion of new facilities currently under construction, by 2008 we expect to achieve 90 percent of the space standard. While this is an improvement, the University will still need to construct 1.3 million square feet of new facilities to fully meet the space standard. So continued

state funding for new facilities will be crucial to our ability to continue to reach projected future enrollment targets.

- Workforce initiatives. We have worked very hard to increase our enrollment capacity and graduation rates in areas of study that address state workforce needs. Over a seven-year period, we have more than doubled our enrollments in engineering and computer science, after hearing from California businesses that greater numbers of well-educated engineers and computer scientists are critical to California's economic future.

This summarizes our efforts through 2010. Now that we anticipate more stable state funding through 2010, we have begun planning for the longer term – the next 15, 20, 25 years.

In order to address the higher education needs of California with a population of 50 million people, President Dynes has created a long-range planning team, chaired by Provost M.R.C. Greenwood and myself, to examine what UC will need

to anticipate and accomplish to serve California in the future. There are no conclusions yet, but let me describe some of the areas we are focusing on.

- We will focus on growing our enrollment of graduate students after many years of undergraduate enrollment growth and relatively flat graduate enrollments. We recently completed a study of California's needs in the health professions, which will address one element of needed graduate and professional school enrollment growth.
- We will continue to engage in improving the quality of K-12 education in California both through our pre-collegiate academic preparation programs and by intensifying our contributions to educating the high-quality K-12 math and science teachers that our state's economy needs.
- We will plan to physically accommodate future enrollment growth by completing the build-out of existing campuses, by anticipating the need for new campuses,

and, possibly, by developing new means of delivering instruction – while still preserving the special character of the research-based education UC currently provides.

- We are examining potential new funding sources for the University, recognizing that the state will always be a key partner with the University but may not be able to provide the resources we need to serve the state in the ways the University is being counted on to serve.
- And we are reviewing college completion rates. We are very proud of the University's record. Our graduation rates are well above the national average. But, while California ranks near the top of the states in the proportion of its college-age population attending college, we rank near the bottom of the states in the number of bachelor's degrees awarded relative to the population.¹ So we need to do a better job, as a state and as a *system* of public higher education, to ensure that students in all

¹ Unpublished 2003 research by Saul Geiser, based on data from the National Center for Education Statistics: California ranked 8th in the nation in college enrollments, public and private, per population 18-29 years old. However, California ranked 46th among the states in the number of bachelor's degrees awarded per population 18-29 years old.

three systems of public higher education graduate and do so in a timely manner.

California will continue to grow and change regardless of how well we prepare for it – but our responsibility is to anticipate it and develop plans to address the growth and change.

It is clear to me from California's demographic trends that public higher education is going to become even more critical to California's society and economy than ever before.

We intend to work with our partners in the California State University system, the California Community Colleges, the independent colleges and universities, and K-12 to accommodate increased enrollments, and to further enhance our contributions to the economy, health, and quality of life of California.

Thank you. I look forward to the discussion following our presentations.