

## Greetings from IUPUI

January 2009

The buffeting taken by the nation's economy in recent months is much on the minds of elected officials as we enter the new year.

Our president, Barack Obama, his Cabinet and other advisors, the U.S. Congress, and the Indiana General Assembly are grappling with tough decisions about diminished tax revenue, turbulent stock markets, the credit crisis, and other economic issues.

The **nation's colleges and universities are not immune** to these developments. Even while becoming more efficient—coping with loss of public revenue and philanthropic support—we are essential ingredients to stimulate the economy. Education and research can help reverse downturns caused by high unemployment and diminished capacity for investments in innovation and business development.

Our **lawmakers** understand that and are prepared to do all they can to keep higher education a part of the mix that will bring our economy back to health.

The proposed **federal stimulus package** reflects this. Indiana hopes to be competitive for funds designated for federal agencies to invest in climate change research, preparations for pandemic influenza, and other areas such as these:

- **National Institutes of Health**—\$1.5 billion for renovation of university research facilities and \$1.5 billion for 21st century science and engineering projects, including biomedical research.
- **Department of Energy's Office of Science**—\$2 billion for basic research in the physical sciences.
- **National Science Foundation**—\$2 billion for basic research in science and engineering that spurs innovation, plus:
  - \$400 million to build major research facilities
  - \$300 million for major research equipment shared by institutions of higher education and other scientists
  - \$200 million to modernize science and engineering research facilities
  - \$100 million for science, technology, engineering, and mathematics (STEM) education such as Robert Noyce Teacher Scholarships

At the state level, **Indiana University and Purdue University joined together** to form the **Indiana Innovation Alliance (IIA)**. It combines academia, business, and government to strengthen Indiana's assets in biosciences and life sciences.

As IU President **Michael McRobbie** said:

*"The more we cooperate and collaborate, the more success we will achieve. It means we will be able to marshal the resources and capacity we need to be competitive with the nation's top tier of life science research centers."*

With the IIA, the bonds between the state's largest universities and business sector have been strengthened by integrating such **corporate partners** as AIT Laboratories, Crane Venture Capital, the metropolitan and state Chambers of Commerce, Biocrossroads, the Indiana Health Industry Forum, and others. Moreover, states that provide **matching funds** for large-scale research grants have greater potential for winning federal funding.

The Indiana Innovation Alliance proposes the establishment of a **new line item**, separate from either IU or Purdue, in the higher education section of the state appropriations bill amounting to **\$35 million in each year of the biennium**.

Of the state's annual investment, \$25 million will **enhance core research** and \$10 million will **expand statewide medical and bioscience programs**. A **focus on disease prevention** will reduce health care costs. As IU expands medical education, Purdue is expanding bioengineering and pharmaceutical education.

The **BioCrossroadsLINX** report of January 2008 suggests that the state could capture significant external contracts with some of the nation's 1,100 bioscience companies. **IIA will serve as a catalyst** for increasing the state's capacity for leading-edge research, developing university and business partnerships, attracting top students and faculty researchers, and receiving more external research funding. This, in turn, will create higher paying jobs for Indiana, restore revenue from Indiana's tax base, and attract and keep the intellectual capital we need to make Indiana more competitive.

As Purdue President **France Córdova** said:

*"We have the tools we need. If we concentrate those strengths on building the state's economy, the world will notice, and the end result will be a stronger economy, better jobs for Hoosiers, and healthier people. We should not be afraid to reach for the stars."*

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**Charles R. Bantz**  
**Chancellor**

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