

## Testimony for the Oregon Joint Ways and Means

### Subcommittee on Education,

Public Hearing on HB 3232-A on 5/1/13

### Creating an Oregon “Educating for Exports” Strategic Initiative

By Dave Porter

Chairpersons Representative Komp and Senator Monroe and members of the Ways and Means Subcommittee on Education,

Please amend HB 3232-A to create an “Educating for Exports Program” as one of the Oregon Education Investment Board’s strategic initiatives. I previously, in testimony on SB 5548, urged you to fund one person with the Oregon Education Investment Board to staff the “Educating for Exports Program.” I have also urged, in testimony elsewhere on HB 5523, funding for one person in the Governor’s Office to coordinate a high-level, high-priority, and strategic effort across diplomatic, educational and economic development domains to increase the export of Oregon goods and services.

In this era of globalization, with rapidly growing, large economies abroad, Oregon’s best business opportunities and its best prospects for sustained economic growth are abroad. Unfortunately, Oregon now has neither a workforce with the skills nor an education system teaching the skills needed to develop, produce and sell Oregon good and services abroad. This needs to change and, with these proposed amendments to HB 3232-A, you can begin that change process.

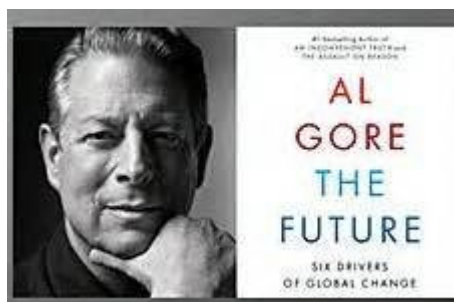
Al Gore in his 2013 book “The Future: Six Drivers of Global Change” writes:

**The global economy is being transformed by changes far greater in speed and scale than any in human history...**

And:

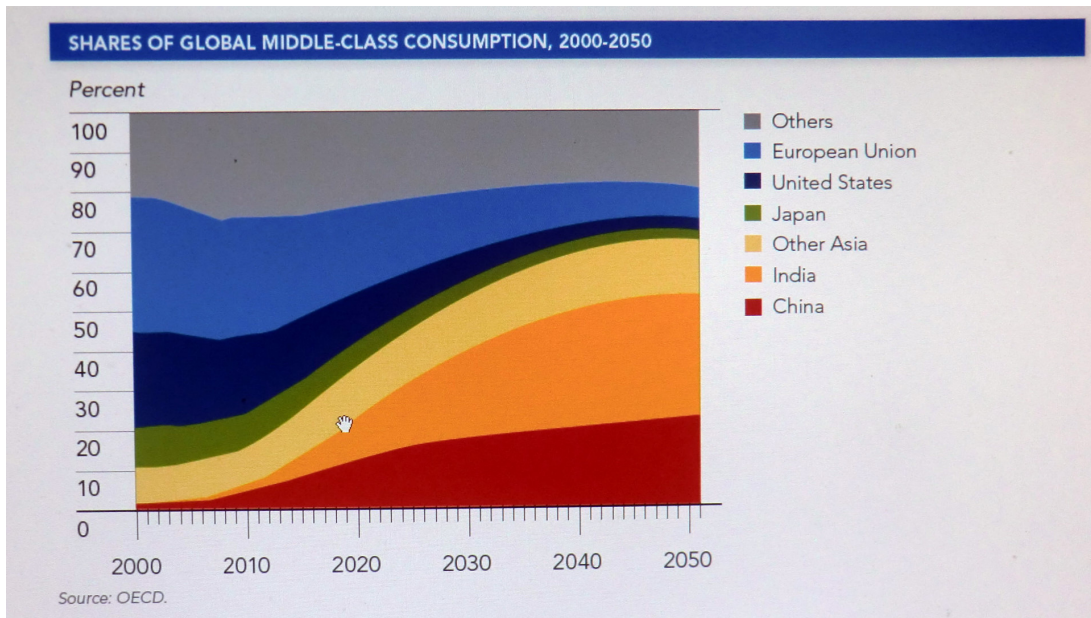
...The impacts of this global economic revolution are already producing a tectonic reordering of the relative roles of the United States, Europe, China, and other emerging economies. China’s economy, one third the size of the United States economy only ten years ago, will surpass the U.S. as the largest economy in the world within this decade.

Indeed, China has already moved beyond America in manufacturing output, new fixed investment, exports, steel consumption, energy consumption, CO2 emissions, car sales, new patents granted to residents and mobile phones. It now has twice the numbers of Internet users. China’s rise has become the most powerful symbol of the



new pattern in the global economy quickly supplanting the one long associated with U.S. dominance.

Further, the following chart from the 2013 U.S. National Intelligence Council's report "Global Trends 2030: Alternative Worlds" highlights the opportunities and challenges before Oregon.



First, note the shrinking over time of US middle-class consumption as a percentage of total global middle-class consumption. Second, note the growth of both China's and India's middle-class consumption as a percentage of total global middle-class consumption. This is the underlying economic dynamics to which I am asking you to respond. Oregon needs to develop a workforce with the skills to sell in these growing middle-class markets abroad.

To those ends, and to create an "Educating for Exports Program," I urge the following changes in HB 3232-A:

Add a new whereas that states "Whereas Oregon's best future opportunities for economic growth are abroad."

Add to Section 1. (The Oregon Education Investment Board shall design and implement programs that make strategic investments to:)

"(k) Prepare graduates to develop, produce and sell more Oregon goods and services abroad."

Add a new Section 5 (and renumber as needed):

"Section 5. (1) The Oregon Education Investment Board shall establish the Educating for Exports Program to:

- (a) Increase the number of Oregon graduates at all levels who are fluent in foreign languages critical for Oregon's economic future.
  - (b) Increase the number of Oregon students at the high school level and above who are studying abroad in countries critical for Oregon's future economic growth.
  - (c) Increase other educational programs that prepare Oregon students to develop, produce and sell Oregon goods and services abroad.
- (2) To accomplish the purposes of the Educating for Exports Program, the Oregon Education Investment Board shall distribute moneys for strategic investments that advance at least one of the following missions:
- (a) Support the development of dual language immersion programs in foreign languages critical for Oregon's economic future.
  - (b) Support the development of high school, community college or university study abroad programs in countries or economic markets critical for Oregon's economic

And please fund all these components of an Oregon "Educating for Exports" Program. My suggested biennium minimums are \$100,000 to start four (\$25,000 each) new Mandarin immersion programs and \$90,000 to send ten Oregon high school students to China for one school year (at \$9,000 each).

Thank You.

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