

THE RELATIONSHIP BETWEEN GOVERNMENT AND THE AMERICAN UNIVERSITY

It is an established principle in the United States that the modern university must function with considerable independence and autonomy. It is well understood that universities serve a public purpose for the nation and that they serve that purpose best when they are free from political interference or burdensome government control. However, these principles of autonomy and independence are not without stress, and it is not surprising that the more important its universities seem to the interests of the nation at any given moment in time, the less patient is government with the limits of its control over them.

At an earlier time in history, the university's purpose was to expand knowledge in an unhurried and rather theoretical manner and to provide a small number of well-educated leaders for the country. But in the 20th century, it began to be apparent that the country also needed its universities to provide a more broadly educated citizenry, and it needed knowledge for the more concrete purposes of national security, health, agriculture, and industry. In current times, it is eminently clear that all modern nations need their universities for those purposes and, perhaps even more urgently, they also need them to stimulate economic development and to produce a highly skilled workforce in areas closely aligned with very specific economic and societal needs. These very explicit demands increase the stress on the delicate balance between government control and university autonomy, a balance made even more precarious by the growing economic dependence of the university on government. In short, modern universities, especially good and competitive modern universities, are very, very expensive to run, and there are probably only a handful of universities in the world that are rich enough to run without very significant amounts of government funding.

The presidents, chancellors, and rectors of Ukrainian universities have gathered here in Yalta to consider the issue of academic freedom and autonomy in your universities, and I applaud you for focusing on this important subject. Certainly, the concepts and principles set forth in the Olbian Declaration are both challenging and appropriate, and I thought it might be helpful to your deliberations if I were to talk about autonomy from the perspective of the development of universities in the United States. The ideas you are considering, if they are to be of use, must be capable of surviving in the real world, and, despite the image of the university as an

ivy-covered tower separated from the real world, we all know that our universities are very much a part of the political and economic context in which they exist.

In very fundamental ways, the idea of the university as autonomous from the state has existed more as an idea than a reality. It is an important idea, however, and the ability of a nation's universities to be a safe haven for the free development and dissemination of knowledge has been preserved, in large measure, because enough people, both within and external to the academy, have believed, and continue to believe, in this idea. However, the fact is that, in the United States, as is also true elsewhere, the shape and character of the modern university is, in many ways, an expression of the last century of governmental intervention. In this paper I will talk about some of the ways in which American universities have been influenced by the actions of government, and I will say at the start that I have not the slightest doubt that, if left to their own devices over the past century, American universities today would be very different than they currently are, and, if left to their own devices in the future, they would develop quite differently than in fact they will develop in the 21st century, as they continue to be subject to the very real pressures of governmental intervention.

History has lessons for us on this subject. In the 19th century in the United States, federal laws incorporated in the Morrill Acts and the Hatch Act provided resources to the various states to create the nation's land grant colleges, public colleges designed to teach what was called «agriculture and the mechanic arts.» These colleges created the agricultural experiment stations which still remain today as an important component of the land-grant universities. Through the Hatch Act, the federal government for the first time, but certainly not for the last time, provided a direct appropriation of funds to universities for a specific set of programmatic purposes. In effect, the government, through its funding, was determining, at least on the macro level, what would be taught, what would be the focus of the university's research, and who would be served by the programs. Most of the great state universities in America today still show the effect of these government programs. Equally significant is the fact that the Hatch Act required an annual accounting from the universities as to their use of the federal funds. With that requirement was created the paradigm of the relationship between the contemporary university and the federal government: federal funding, federal designation of the programs to be developed with the funds, and federal requirements for accountability, or, in other words, government regulation.

The 20th century brought a second major phase of governmental intervention in the creation of the great research universities in the nation and the broad network of comprehensive colleges and universities that grew up from the nation's normal schools and teaching colleges. In mid-century, World War II had a profound impact on the development of American higher education. Before the war, governmental financing of university research was primarily in agriculture and constituted about 15 % of the nation's university-based research and development.¹ The war, however, brought an intense need for military research, and that included both theoretical and applied research in those fields that would yield concrete military applications. The result of this need was a substantial growth, in a very short period of time, of federal financing of the nation's university-based research and development, and, of course, through this financing, the government exercised extraordinary influence over the nature and focus of the research that was being conducted on university campuses. This concept of the government investing in university research in areas in which it had an interest took root and continued to grow. By 2007, funds for research and development at universities and colleges totaled approximately \$49.4 billion. Of the \$49.4 billion, \$30.4 billion, or 61.6 % of the total, derived from federal funds. An additional \$3.1 billion, or 6.4 % of the total, derived from state governmental sources. In short, government now accounts for about 68 % of all funds available for research and development at the nation's colleges and universities,² supporting research in areas of government interest, including health, industrial applications, pure science, social policy, and, of course, national security.

Beyond research, after the war, the GI Bill of 1944 provided grants to military veterans for education, and the contemporary massive and highly regulated system of direct federal financial aid to students had its genesis, changing in monumental ways the size, the student composition, and the purposes and mission of both public and private colleges and universities across the country. The effects of the bill continue to this day, and, indeed, what is now called the Veterans Education Assistance Act, enacted by

¹ This percentage is noted in the "Advisory Commission on Intergovernmental Relations Report, A-82" (Washington, D.C., May 1981) as cited in A. Barlett Giamatti, *A Free and Ordered Space: The Real World of the University*, New York: W.W. Norton & Co., 1988, p. 237.

² «R&D Expenditures at Universities and Colleges, Total: FY 1953-2007,» published by the Division of Science Resources Statistics of the National Science Foundation, www.nsf.gov/statistics/nsf09303/content.cfm?pub_id=3871&id=2. The number for federal support includes federally funded research and development centers in addition to other program support. Of the remaining 32.1 %, 19.5 % is funded by the colleges and universities, 5.4 % by industry, and 7.1 % by all other sources.

Congress last June, provides new and very generous benefits to veterans, covering full tuition costs at public institutions, plus money for fees, books, supplies, tutorial assistance, housing stipends, and other costs.

But the biggest effect came in the 1960's and 1970's as both federal and state governments expanded on the model created by the original GI Bill and addressed the political and social policy concerns for equality of opportunity and access to education by the expansion of financial aid to millions of Americans who could not otherwise afford higher education. The impact of this government policy was so great that by the mid-1970's federal financial aid to students constituted the largest share of federal funds for higher education. In 2006-2007, over \$130 billion was expended for student financial aid from all sources, governmental, institutional and private, and, of that \$130 billion, \$86.3 billion came from the federal government, and, of that \$86.5 billion, \$59.6 billion was in the form of loans.³ As a result of these programs, public colleges and universities saw huge increases in enrollments and their student populations diversified in terms of race, gender and ethnicity, and in terms of the income level of their students. Suddenly U.S. colleges and universities had large numbers of students from families with very minimal financial means and large numbers of students who were the first in their families to go to college. The change in the student population caused a consequent change in curricula and academic programs and even changed the composition of the faculty and staff at colleges and universities. Community colleges (two-year institutions that focus primarily on job training) grew like mushrooms across the land to take up the overflow of students. Private colleges and universities suddenly had V source of government funds to support changes in the composition of their student populations and to subsidize their high tuitions, and, together with the post World War II reliance by the privates on federal funds for research, private institutions had become as dependent on federal government support as were public institutions. Bartlett Giamatti, who was president of Yale University, one of the world's most elite private universities said: «Thus the reality: while private (and public) institutions of higher education become one of the most heavily regulated parts of American society, they gnaw at the hand that feed's them more and more, and more and more are they repelled by the implications of their needs.»⁴ And, with that, Dr. Giamatti left one of the United States' most well-endowed private universities to take up a career in baseball. He saw clearly

³ «Trends in Student Aid, 2007,» College Board, www.collegeboard.com/prod_downloads/about/news_info/trends/trends_aid_07.pdf.

⁴ Giamatti, p. 212.

the contradiction between the university's appetite for government support and its distaste at being subject to the controls and regulations, and, perhaps even more important, the pervasive and insidious influence on these supposedly autonomous, universities of the government that was giving them the money.

It is not always huge changes or events, such as those I have just talked about, that effect the shape and structure of universities, often it is also the multitude of smaller actions on the part of government, sometimes changing and fickle in their direction, that, one after another, collectively have a very large effect. Just a few examples will to make the point:

- The government's interest in areas of health, science, and other societal concerns changes the direction of the flow of government research grants, and that, in turn, influences the focus of research pursued by scholars and scientists, as well as faculty hiring, tenure, and promotion decisions on the basis of who has been successful in getting federal grants. A good example of this phenomenon was the post September 11 governmental support for research efforts in bioterrorism and cyber-security, and suddenly there once again was money for programs that had been forgotten for decades in international studies and foreign languages.
- The vast array of government regulations requiring reports and information of all sorts in areas such as financial aid accounting, grant accounting, occupational health and safety, research protocols, including human subjects and the management of hazardous waste, campus crime, and handicap access, to name just a handful of the myriad areas of required government reporting, has actually created another major cost center for university management. James Duderstadt, the former president of the University of Michigan, one the nation's best public universities, estimated that 10 % of institutional budgets are now dedicated to funding the accountability and reporting required by government.⁵ The major federal laws governing higher education were recently reauthorized by Congress, and the new version has 110 new requirements that institutions must implement-everything from

⁵ James J. Duderstadt, *A University for the 21st Century*, Ann Arbor; The University of Michigan Press, 2000, p. 56.

rules for fire safety on our campuses to the cost and provision of text books for students.

- Interest in, and support for, the softer disciplines in the humanities and the arts grows greater or smaller as the country drifts to the political right or to the left.
- From time to time, government takes up a cause, and, these days, government has decided to be interested in primary and secondary education, and, particularly, in the preparation of teachers for America's public schools. This highly politicized interest has created regulation, accountability requirements, and some rather intensive scrutiny of the programs and activities of those institutions that produce the greatest share of the nation's teachers.
- Another example from the post September 11 world is the federal government's efforts to regulate the half million foreign students who enter American universities each year. In order to accomplish this regulation, the government required every campus to implement a new database known as SEVIS, the Student Exchange and Visitor Information System. The impact of the government's regulations in this area had a major impact on doctoral education in the United States, since approximately one-third of all doctoral degrees granted by U.S. institutions go to non-U.S. citizens
- In the United States, an important source of support for colleges and universities comes from private gifts. So every time there is a change in the federal tax code, that affects how private gifts are treated for tax purposes. The impact can be seen in changes in the type and amount of gifts that donors give to the universities.

These discrete waves of federal intervention are set against a background of the general attitude by government toward higher education that is an important part of the national equation. At some points in history, the nation's universities are viewed with admiration and respect, and, at some points, they are viewed as renegades or as self-absorbed or irresponsible, or divorced from the public interest, or, as is currently the case in the U.S., as too costly. Universities are now definitely targets for attack, both by government and by the national media, on issues of cost and the relationship of cost to quality. As Duderstadt has put it: «If the public or its voices in the media lose confidence in the university, in its

accountability, its costs, or its quality, it will ask 'autonomy for what and for whom'.»⁶ In other words, the more that government loses respect for universities, the less willing is it to grant the universities their autonomy. A very similar view has been expressed by Sir Howard Newby, formerly vice-chancellor of the University of Southampton in England, writing in 1999, he said, «...the government's interventionist approach in regulating quality control, value for money, etc. is a failure of trust in the self-governance of universities. It might also be regarded as an acknowledgment by government of the increasing importance of higher education in achieving economic competitiveness and social cohesion.»⁷ In short, in contemporary democracies, universities are watched very closely by government and by the media and the public, because they are so important to society.

On the local level, the influences of state government (equivalent to the Ukrainian *oblast*) can also have a major impact on institutional development. Particularly in the public sector, the individual state governments exercise enormous influence over their affiliated colleges and universities. States are the source of over 30 % of the revenues for public four-year institutions⁸, and state legislators often have a very personal knowledge of, and relationship to, these institutions. As a result, public colleges and universities exist in an environment that is highly subject to the changing moods, interests, and solvency of state government. This phenomenon plays out in numerous ways. For example:

So, given the reality that, because of our intensive economic dependence on government, our institutions will continue to exist within the swirling and unstable vortex of governmental intervention, how do we maintain an adequate portion of autonomy in those ways that are critical to the fundamental purposes of higher education, that is, in those ways that protect the university from political interference in the free marketplace of ideas, that encourage the open pursuit of knowledge, that assure that those who come to teach and those who come to learn are selected on bases that promote the effective functioning of a democratic society, a type of society that is wholly reliant on the education of its citizens? How do we do these things and continue to assure government support? How do we control and manipulate government into our care and feeding, while moderating their

⁶ Duderstadt, p. 242.

⁷ Howard Newby, «Governance,» in *Challenges Facing Higher Education at the Millennium*, eds. Werner Z. Hirsch and Luc E. Weber, Phoenix: American Council on Education and The Oryx Press, 1999, p. 123.

⁸ National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS).

influence in the essential areas? We have already long ago succumbed to having a good portion of our programming, our character, our research and scholarly efforts, our size and composition if not dictated, then certainly heavily influenced, by government. We must admit this. How then, do we retain the essential intellectual autonomies, what Newby calls the «traditional, liberal conceptions of university autonomy as a bulwark *against* the state?»⁹ And Newby meant by «against» not in opposition to the state, but rather outside the state, free from a political agenda and grounded only in the production and exploration of knowledge.

I offer three answers to this question.

First, we must get ahead of government on the issues that will have a major impact for us, and, too often, we have not done this. We need to anticipate the political hot buttons and do a better job of getting out in front to shape the debate when we know it is coming. The issue of teacher preparation in the United States provides an excellent example. We have known for years that thousands of students who graduated from the nation's high schools were seriously under-prepared in science, mathematics, technology, and communication skills. We have known that many of the teachers in the nation's classrooms, who graduated from our institutions, were not qualified in the subject areas in which they were teaching. The wave of accountability in this area, nevertheless, hit our institutions as though we had no notion that it was coming. As a consequence, we have been caught in the undertow when we should be riding the crest. We have been forced to defend ourselves against ill-conceived ideas about how to fix the situation when we should have been leading with the solutions. We have the brains on our campuses to see the issues coming, so we should get out ahead of them and exercise intellectual leadership.

Second, we must work much more systematically to influence the public's understanding of the importance, the nature, and the purposes of strong institutions of higher education. We must actively work to create a culture that values higher education and sees it as essential to democracy and as beneficial to the lives of people and society. The maintenance of great universities requires a significant cost to society, so a broad base of the population need to have an informed understanding about the costs, the role and nature of the work of faculty, the importance of permitting freedom and experiment in the instructional program, the value associated with liberal learning, and the contributions we make to the health of the domestic economy.

⁹ Newby, p. 124.

In order to achieve that broad public understanding, universities need shamelessly to market themselves in a way that makes apparent to the public that they are in touch with, and responsive to, the federal and state political agenda of the moment. As we pursue our own work, our own self-initiated agendas for education and scholarship, we must also not forget regularly and vigorously to demonstrate our usefulness to society and our ability and willingness to be part of the solution to important societal problems. If we can help government and governmental leaders toward real accomplishments, if we are hospitable to them, if we appear connected to the larger social structure and engaged, we will be better trusted. And, if we are better trusted, we will be freer in those ways that are important to **the** character of the free university.

And third, as leaders of our institutions, we do need to occupy a place of leadership in our communities. Doing so will be at some cost to our ability to attend to the internal environment of the universities we serve, but we must nevertheless create a public presence and sell a vision to the public. Like any politician, we must get the voters on our side; we must influence the public and the opinion leaders. People want to believe in the nobility of the purposes of higher education; government wants to believe in the value and richness of higher education as a national cultural asset. Our job is to make it easier for them to do so, and that requires vigorous, visible, and active leadership. There are always some risks to leadership, especially when issues are controversial, but we must take those risks.

This agenda may be seen as calculating, and it is. But the greatest universities have always been calculating. They have bargained and traded astutely and sharply, whether centuries ago in western Europe to moderate the control of the church or just yesterday in the U.S. to negotiate favorable rates of payment on federally sponsored research. The academic is, in fact, by disposition a politician. One need only inquire into the decision-making processes of an academic department if one is not convinced on this point. Those political skills need to be exercised in ways that preserve the freedom and character of the university, while keeping the government funding flowing. Changing economic and political conditions create a continuing tug and pull, a continuing adjustment of the balance between government control and institutional autonomy. Economic and political and educational and research benefits and deficits flow in both directions along the continuum of control and money relationships and are somewhat cyclical in nature. Understanding the trade-offs attendant upon these potential benefits and deficits is critical to university leaders because we are ultimately the protectors of the autonomous vision, and our decisions and responses to the

full range of government pressures can have a profound impact on our institutions for decades.

The history leading up to the present time shows almost a reverse birthing process in the relationship between the university and government in the U.S. Although we have grown to maturity, yet, with each passing day, the umbilical cord grows stronger, and were some well-intentioned obstetrician to come along to tie off that cord and set us free, we would starve to death in a trice. And so we must learn to run free while connected organically to a principal source of nourishment. Democracy depends on our ability to do this.

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