

## CORPORATIZATION, ITS DISCONTENTS AND THE RENEWAL OF ACADEMIC CITIZENSHIP

by Richard Moser<sup>1</sup>

What is corporatization? It is the term now being used to describe a number of historical developments. For higher education it refers to the retreat of service to the common good as the purpose of our colleges and universities. In general it describes the decline of a social contract that prevailed in America during the mid-century and the reorganization of our great national resources, including higher education, for the purpose of maximizing profits.

Three decades of stagnant public funding for higher education and the long-term and dramatic reduction in corporate taxation has opened the door for increasing corporate influence on campus. The ascendancy of managerial authority and modes of thinking and operating influenced by the business world has led to a crisis of meaning for the contemporary university.

Corporatization is far from a perfect term, as there are many different approaches possible even in a corporate economy. Corporatization may well be viewed as the misapplication of a regressive corporate ideology to a non-market activity (education). As such, corporatization is as much an ideological project as it is a political or economic one. The Canadians call this process "commercialization" and the British "privatization," and those concepts capture important aspects of the changes we are experiencing.

Both resistance and alternatives to corporatization are possible. Corporatization and the new academic labor system are ultimately political effects and call for political solutions. The current crisis in higher education is not the inevitable working of the market. The academic community's most effective response to this system is to practice academic citizenship based on public education, collective action, AAUP principles, and democratic rights drawn from the American political tradition.

Commercial influence is nothing new in American Higher education and has been with us at least since the Morrill Land Grant Act of the 1860's brought agriculture and engineering to the university. As David Noble has demonstrated, the industrial revolution of the early 20th century was an outcome of partnerships between campus and industry. The services and products the university provided have long been useful to business, but now educational institutions themselves are becoming more like businesses, or at least the claim is being made that they should be. This is not, however, just more of the same. Something distinctly different is afoot, and is at least in part characterized by the drive of the corporations to colonize all aspects of life that were previously non-corporate activities, such as health care, education, even religion and family life. Although contemporary corporate influences do date to the mid-20th century, the years between W.W.II and 1975 were characterized primarily by powerful government interventions in higher education that were a central component in what may be called the mid-century social contract.

In the wake of W.W.II America's unrivaled economic and political power allowed most Americans to enjoy a remarkable period of economic opportunity. Government promoted and sustained economic growth through investment in higher education. The GI bill, the shift

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toward service industries, and demographic trends dramatically increased student enrollment. Higher education underwrote the scientific, technical, and theoretical knowledge necessary for post war economic activity. Business and administrative leaders upheld their end of the bargain by permitting a rising standard of living for most working people that included such protections as pensions, medical benefits, job security and meaningful minimum standards set by law. Unions were reluctantly tolerated--even faculty unions in some states.

This period was also characterized by a high degree of respect for the AAUP's 1940 Statement. Tenure, due process, and shared governance became the almost universally accepted ethical foundation for higher education. On this basis we built the best higher education system in the world. This social contract prevailed until the mid-1970s.

In this so-called "golden era" the university was part of and dedicated to the public good. Part of what distinguishes the new corporate influence from the governmental one is its redefinition of the public good as the corporate balance sheet and tendency toward a more narrow, unitary, and imperious vision of the university that more aggressively seeks to remake everything in its own image. We experience this new aggressiveness more directly, because at the heart of the corporate agenda is the radical restructuring of the academic workforce.

By the late 60s the social contract had begun to come apart as a result of the multiple crises that came to a head during the Vietnam War. Not only did the war era lead to a crisis of faith in political and cultural institutions, including higher education, but we also look back at the early 1970s as a time when society's existing economic assumptions, this mid-century social contract, underwent profound revision.

Slower economic growth and heightened competition were evoked to change popular expectations concerning living standards and public expenditures. In higher education the changing times were characterized by decreased public funding. That occurred simultaneously with the ascendancy of a corporate style of management and the subsequent shifting of costs and risks to those who teach, research and study. Consequently, faculty have been slowly transformed into contingent and part-time employees without due process or economic security, and students increasingly carry a greater burden of the costs in the form of higher tuition, debt, and work.

The political influence of faculty, which had been growing for a decade, began to falter. The faculty at private institutions were not spared the fate of the public sector when the Supreme Court decided in the infamous 1980 *Yeshiva* decision that faculty at private institutions were managers, and therefore not eligible for collective bargaining rights.

The remaining bonds of the mid-century social contract were burst when Ronald Reagan fired striking air traffic controllers and staffed the National Labor Relations Board with those hostile to workers' rights. During the same years Republicans and Democrats passed new tax, budget, money, and debt policies that would lay the groundwork for an almost unprecedented redistribution of wealth from the vast majority of working people to the richest Americans, with the greatest gains being made by the top 1%. For example, despite twenty years of economic growth, the professoriate as a body does not, today, enjoy the purchasing power it did in 1972. These changes weakened the political and economic leverage of professional associations, trade unions, and the people they represented.

The cutting edge of the corporatization of higher education was the restructuring of the workforce around a multi-tiered structure into what I call the "New Academic Labor System."

In the typical multi-tiered system new or younger employees are not offered the same level of compensation and job security as existing staff. A report on faculty appointments by the AAUP's Ernst Benjamin reveals:

The change since 1975 is striking. Part-time faculty have grown four-times (103%) more than full-time (27%). The number of non-tenure-track faculty has increased by 92%, while the number of probationary (tenure-track) faculty has actually declined by 12%. Adjunct appointments went from 22% in 1970 to 32% in 1982, to 42% in 1993, to a current level of about 46 percent of all faculty.

Until the boom years of the mid-1990s the proportion of part-time faculty increased at about one percent a year. The most recent findings show, however, that the trend toward contingency continues unabated, with a rapid growth in the use of full-time non-tenure track appointments, which have risen from 22% to 26% since 1992.

This multi-tiered approach succeeded, because it blunted opposition by implicitly promising not to affect existing constituencies. Tenured faculty were enticed with short-term benefits. The faculty did cooperate in their own demise, but not by formal decree. No faculty senate, AAUP chapter, or union ever explicitly agreed to abolish tenure for the majority of future faculty in exchange for cheap replacements for introductory courses or sabbaticals, but such complicity is rarely formalized. The good news about our complicity in this new labor system is that, since the system depends on our complicity to continue, we can turn accommodation into resistance.

The over-use and exploitation of contingent faculty is the linchpin of this process of corporatization, because it has fragmented the faculty and weakened our ability to act as a constituency. Without due process the professoriate loses its ability to govern in the conventional manner and has no recourse to safeguards of academic freedom. Hence, the increasingly common resort to activism and unionization as a means to advance our values.

It is this political aspect which is decisive, because the multi-tier personnel system has produced classic "divide and conquer" effects. Once we are fragmented, set against ourselves, disenfranchised, and our noses placed firmly against the grindstone, then the rest of corporatization can proceed more smoothly.

The rest of corporatization is a rather dizzying litany of trends and initiatives. Let me touch on a few of the larger symptoms that results from running the campus like a business.

University resources have become concentrated in areas where wealth is created, and areas not conducive to the creation of wealth, like the liberal arts, have been marginalized. The likelihood of layoffs, program restructuring, and contingency faculty appointments is greater in arts, education, social sciences, and even some of the basic sciences, as opposed to math, biochemistry or engineering. This thinking limits the willingness of institutions to cross-subsidize less marketable but socially indispensable areas such as foreign languages or classics.

There is increased corporate funding and control over academic research, as we have seen in a number of cases such as the 1998 deal between Novartis and the University of California, Berkeley, and the often ethically murky relationship that has emerged when faculty or administrators become stockholders or have other ties to corporate partners.

Corporate influence has been redefining the nature and control of intellectual property, begun in earnest in the 1980s when the Bayh-Dole Act permitted universities to share in the funds generated by successful patents developed by faculty members.

Corporatization is also characterized by the fact that new ideas, technologies, and human capacities and talents developed at public cost have become the entitlement of the corporate sector. It is not a coincidence that the bio-tech industry just happens to be located in cities with significant higher education institutions. There is an office of "technology transfer" at almost all research institutions, where for a token fee technology is transferred to private concerns with few resources returning to the university. This has been taken a step farther, as campuses offer their publicly equipped laboratories and computer banks to become product incubators for business. As far back as the 1980s the National Science Foundation, that is to say, tax dollars, funded dozens of partnerships between business and engineering departments.

The corporate sponsorship of research raises the issue of ownership of knowledge. Is knowledge to become the trade secret of a few, or will there continue to be the free exchange of ideas? As academics we are committed to the idea that knowledge can only flourish as a result of open debate, unfettered discourse, and continual testing of and experimentation with received wisdom.

The university's entertainment venues have multiplied and grown larger, providing both mass entertainment and many business opportunities, without which professional sports certainly could not be so profitable. And these centers of wealth creation and entertainment venues need an increasing number of well paid campus administrators to run them. Everywhere campus resources have been redirected to corporate welfare, entertainment venues, and administration rather than to instruction.

Regarding the human capital of the university, we see the privatization and outsourcing of university functions and jobs, from food service to bookstores to instruction. Local entrepreneurs are booted out of the student center and replaced by Taco Bell, and campus workers earn so little that living wage campaigns and union drives have sprouted on dozens of campuses.

Tuition has outpaced inflation for over two decades, and debt loads for students have increased dramatically, narrowing their options after they graduate, but providing lucrative business opportunities for banks. Anxiety over mounting debt pushes students to embrace vocationalism and value training over education.

For faculty, corporatization means more authoritarian governance practices, not simply as reflected in handbooks but changes in the culture, as administrators get used to bossing around the majority of the faculty who have no hope of tenure or job security. The unbundling and segmenting of faculty work pulls at the foundations of the independent teacher-scholar by farming out admissions, then advising and mentoring and curricular work. Here we have a stark choice: either bestow on the new ranks of academic professionals the rights and duties of faculty, or endanger our own professional status. This segmentation of the work has also been part of a gradual intensification of the overall workload, which too often leaves faculty exhausted with little time for service activity or family life.

Corporatization has produced the strange effect that as the institutions take on new roles as product incubator, real estate mogul, and extravagant consumer of everything, including expensive and still unproved distance education technologies, our operating budgets remain in perpetual crisis.

Beyond the material effects of corporatization lies a political contest, a contest over leadership of our campuses, a contest over different visions of the future for higher education.

Managerial elites and corporate actors win people's support, in part, because they posit a compelling utopian vision based on the magic of the free market and a brilliant techno-utopia. In this future all social problems are solved by creating freedom, in the form of technological solutions and material abundance.

What corporatization actually reveals is that we have a mixed economy--one in which public and private resources are inextricably co-mingled, and government help and university services are absolutely essential to supposedly private enterprise. This mixed economy is the true nature of corporate capitalism, and this dense web of links between private and public has been given some needed exposure during the Enron scandal. The ideology of the free market is deployed very selectively. Faculty, staff, and students (and Argentina) are told to have faith in the free market and pull themselves up by their socks, while the corporations are leveraging public resources, intervening in public policy decisions, influencing electoral campaigns, and feasting on massive tax abatements.

We are told that this coming corporate-techno-utopia will provide jobs and be the engine of economic well being. But the real life exemplar of this new order, the corporatized university, has moved toward more contingent employment, a more highly skewed distribution of rewards, and cuts in benefits, including health benefits (thanks to an already corporatized health industry). The new university provides lots of new jobs, the only problem is that you need to have three of them to make a living. High levels of skill training and dedication do not guarantee knowledge workers a decent job. Only concerted activity and organizing can do that.

We are told the increasing use of contingent faculty and their low levels of compensation are a market effect, when the demand for college teachers has been up for two decades. Convert all the contingent positions, and you have full time jobs for almost every new Ph.D. This is a political effect, not a market one, and it reflects the political weakness of the faculty.

The discourses on "accountability" show similar politics. On the one hand, exit exams enforce the idea that faculty-assigned grades are not a sufficient measure of merit, and only some testing corporation can measure learning, or that quantifiable measurements or financial markers are the only way to gauge faculty productivity or student learning.

On the other hand, try to research the data on contingent faculty. Try and find out how many and who they are, what benefits they have, their credentials and titles, office locations, their pay and home addresses, length of service, ethnic and gender composition. Corporatization demands hard data for accounts receivable and ghosts for accounts payable. So-called flexibility creates the demand for accountability from faculty, and promotes the lack of accountability by the administration.

Perhaps most important is the issue of values. The search for the truth, intellectual creativity, scientific invention, the ideals of citizenship, and the liberal arts tradition have been discounted in favor of market values, expressed as vocational training, material success, and applied research.

I use these examples to assert that, rather than a free market based on competition and individual merit, we have a highly politicized market, with power being the decisive factor distributing rewards. In other words, for better or worse, the public and private sphere have

been fused together, and the campus is one place where that fusion has been strategized and arranged.

The alternative is for the faculty to articulate a vision of the campus based on Academic citizenship and democracy. This view does not reject the public/private configuration of our campus and economy but swings the door the other way to push democracy and community into the workplace. Democracy is the soft white underbelly of corporatization, and it is there that we must begin by becoming better citizens.

Academic citizenship means activism in our associations and unions and participation in governance, but it is also about renewing and enlarging the institutional framework of campus democracy. If we place academic citizenship within the context of American citizenship, we can reinvigorate the debate about campus governance and lay claim to a potent arsenal of ideals and principles.

The problem in articulating academic citizenship for the public is that historically the whole structure of citizenship does not apply to the world of work, with slight modifications for the public sector that were achieved during the 1960s. The campus has been an exception, and, along with strong union shops, higher education remains an island of democracy in a sea of managerial authority. Despite the fairly free exercise of rights and liberties in the public sphere, the Bill of Rights stops at the workplace door. At work Americans are arguably the least free people in the industrialized world, but nonetheless are told that democracy in the workplace is a privilege for an elite rather than a right they should strive for.

American citizenship has always depended on a protective shield of due process between government and life, liberty, and property. That was assured by trial by a jury of your peers and the concept of innocent until proven guilty. Tyranny was kept in check by a distribution of power between different branches of government that functioned as a system of checks and balances. Rights were also anchored by protections for individual property, and in earlier times ownership of productive property by American citizens was widely dispersed.

Not only could the government not take property away without due process, but it provided a sufficient degree of economic security to allow independent thought and action. Property was viewed as a realm of freedom, not tyranny, so American freedoms exist only as limits to government, and private property was exempted from the Bill of Rights. Although this special exemption has posed many problems in American history, it is particularly worrisome now, since corporatization of the larger economy entailed the centralization of most real productive property into the hands of the few.

The academy was seen as a workplace where civil rights had to exist, not just by the AAUP, but by courts and legislators, because it was obvious that the trade in ideas required a free and democratic workplace. AAUP policy written into faculty handbooks, judicial decisions, and state statutes has created a system of due process and democracy in the academic workplace.

After a long period of training, work, and apprenticeship and an equally lengthy and rigorous probationary period and review, candidates are awarded the right to practice their profession protected by the due process rights accorded the owner of property. We, of course, know this job property right as tenure.

The due process protections of tenure then allow a remarkable development to occur. The freedom traditionally exclusive to the public sphere could be practiced in that part of life

formally understood as private and outside the Bill of Rights, that is, at work. When the Bill of Rights lives at work, we call it Academic Freedom.

Academic freedom does more than guarantee that creative inquiry is unfettered by authority. Only under the conditions of freedom at work can there be the independent cast of mind necessary for citizenship. Only when free to think, speak, and dissent can we have a real voice in the decision making process that guides our work. Only when the authority to govern the campus is exercised by the three co-equal branches truly representing three interests can we have a system of checks and balances that protect academic freedom. On campus we claim this prerogative as the right to shared governance.

In short, AAUP standards aim to make our campuses "little republics" that aspire to the best ideals the American republic has to offer. This, it seems to me, is a productive way to posit the counter-narrative to corporatization. The price of using public resources to promote private gain is that the door must swing both ways--so that public rights can be exercised at work and that community standards should apply to corporations that benefit from community resources. If corporations are to come onto campus, then our relationships should conform to campus standards of governance, not the campus conforming to corporate standards of governance. Despite the unending repetition of free market ideology, the irreversible fusion of public sovereignty with private power suggests that political freedom is hinged upon economic democracy. We cannot have one without the other.

We must defend our jobs and work and improved compensation and job security for contingent faculty, and reverse the conversion of tenured to non-tenured positions, not just because it puts bread on the table, but because it is absolutely essential to the larger political project of democracy.

It is in everyone's interest to do so. Thirty years of history proves that the standard administrative bargaining position, that the budget is a zero sum game, and there is only so much money, and increases for full time faculty take it away from lecturers and vice versa, is wrong. If the salaries for the upper tier depended on the depressed salaries of the other, then we could expect that after thirty years of substandard pay and benefits for contingent faculty, the tenured faculty would be riding high. Is this the case? The same is true for tenure. Have thirty years of precarious employment for adjuncts strengthened tenure and due process? No. Instead we see salary stagnation and decline, and the erosion of due process, because this is not a zero-sum game, but rather a divide and conquer effect. If their job is to divide, then we must bring people together.

Corporatization is also creating its opposite: a new broader community of interest expressed as coalition efforts. The rights of tenured faculty represent the starting point of a movement capable of contesting corporatization and creating campus democracy. The emerging polycentric campus movement does just that. Graduate student unionization, the growing movement of contingent faculty, the stirrings among academic professionals, the student-labor solidarity networks, living wage initiatives, gender equity campaigns, and our association's efforts across the campus spectrum are all creeping fitfully forward.

The new movements imply that extending rights to ever expanding constituencies may accomplish the defense of our traditional rights. Successful advocacy for higher education is increasingly based on coalition work between faculty, staff, students, and community members. When this new constellation of forces comes together over contract demands, educational

forums, or fair labor codes, a new campus community is being born. This new community can be the descendant of the old community of scholars, and it is the only community with the potential power to insure that our institutions remain in the service of the common good.

In sum we must address the political problem and must look to ourselves for the answer. Confronting corporatization is a monumental task, but a task that everyone can contribute to by building our organizations. Talk to your colleagues about our problems and our hopes, listen carefully to what they have to say, then ask them to join the AAUP. Citizenship and democracy are learned by doing, so we must do and learn well the "arts of liberty."