

SUMMA CUM AVARITIA

Plucking a profit from the groves of academe

By Nick Bromell

If you despaired when baseball became big business, or when corner bookstores and small publishers disappeared into the maw of media conglomerates, take hope. If you were angered when deregulation in the name of "increased competition" rewarded us instead with brownouts and robber barons, take cheer. The principle that public policy should encourage maximal profits no matter what the consequences for the public sphere has indeed yielded positive results. In at least one area of American life—higher education—the ascendancy of the profit motive is a godsend.

Before you know it, almost everything you dislike about colleges and universities will have disappeared. Blue-book exams, windbag professors, tedious classroom discussions, even classrooms themselves, all are headed for extinction. Higher education in the United States is finally becoming a big business in search of big profits. And as learning becomes a revenue stream, not a path toward "enlightenment," customer satisfac-

Nick Bromell's most recent book is Tomorrow Never Knows: Rock and Psychedelics in the 1960s. His last article for Harper's Magazine, "Show Them the Money," appeared in the May 2000 issue.

tion will finally come. Life is about to get much, much easier for every college student in America.

If you're asking yourself why big business would want to get near the

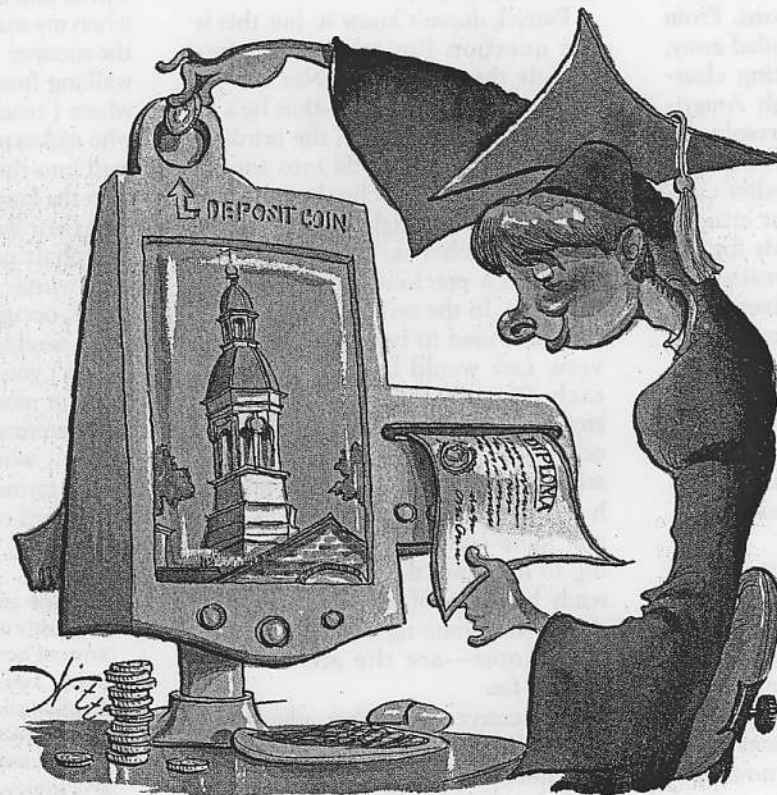
ization creates an enormous worldwide demand for the passport to prosperity an American degree confers, this \$200 billion revenue stream is likely to swell dramatically over the next decade or

two. That is why business innovators such as Michael Milken have invested heavily in the future of for-profit higher education. That is why hundreds of for-profit firms are lobbying state and federal officials to privatize public higher education. Now we can hope that higher education will finally become a paying member of a nation whose business, after all, is business.

Perhaps this prospect worries you. Perhaps you wonder how we can turn a blind eye as this country's long-standing commitment to disinterested learning is absorbed and digested by an insatiable free market. Perhaps you balk at the idea of simply giving away to

corporations the enormous public investment we've made in our colleges and universities. Perhaps you're fearful of what will happen to knowledge when it's regarded as a commodity, or to freedom of inquiry when all professors are on the payroll of corporations like Disney and Microsoft.

If so, let me confess that I used to feel the same way. I'm a professor



musty halls of academe, you're probably unaware that higher education in this nation takes in revenues greater than \$200 billion each year. That's more than five times the revenue generated by the steel industry. Yet, incredible as it sounds, only a tiny trickle of this current of cash—just more than 2 percent—finds its way to for-profit schools. Meanwhile, as global-

myself, after all, and a professor of English at that. I'm no Mr. Chips—I went to college in the 1960s, and I'm more interested in Toni Morrison than T. S. Eliot—but, like the professors I studied with thirty years ago, I believed for a long time that my job was to help students think for themselves. My particular calling, I imagined, was to help them “speak their latent convictions,” as Emerson would have put it, to help them fully “express,” and thus be, themselves.

Alas, this is why for years my perspective on the world of higher education was pathetically narrow compared with the sweeping views commanded by higher-education experts working for corporate-funded think tanks and foundations. From where I and my students toiled away, in our steadily deteriorating classrooms, it looked as though Americans had simply lost the resolve to support higher education. Year after year, it seemed, the tax relief conferred upon our wealthiest citizens was eviscerating the funds for my and many other state universities.

When I arrived here fifteen years ago, my department had more than seventy faculty members. Now, thanks to quiet downsizing, it has fewer than fifty. Students can't get into the classes they need to take, we offer fewer and fewer electives, and classrooms are as crowded as subway platforms.

Although sentimentalists claim that such reforms have been a disaster, the truth is that the whole enterprise of students and professors meeting face-to-face is but a sad anachronism, better swept away. After all, Robert Reich, former U.S. secretary of labor, has announced that “Classroom training is a nineteenth-century artifact—if not an artifact of the medieval times.” Michael M. Crow, the executive vice provost of Columbia University, has explained that “We are expanding what it means to be a knowledge enterprise. We use knowledge as a form of venture capital.” (Lie quiet, Professor Trilling.) Utah governor Mike Leavitt has told us that “In the future, an institution of higher education will be-

come a little like a local television station.” Efficiency, profit, variety, and entertainment: who but a professor would be opposed to those blessings?

But if, like so many of my colleagues, you still have worries, let me offer an example of the old system's inefficiency. This afternoon, a student came to visit me in my office. Patrick is a polite and likable young man who does his homework and contributes ably to class discussion. He is earnest, hardworking, mature. “What I wanted to talk about,” he says, settling into the chair opposite me, “is the paper that's due next Thursday. I'm not sure exactly what you're looking for.”

Patrick doesn't know it, but this is the question I'm asked more frequently than any other. Nor can he know what it indicates—that he's at a perilous crossroads, on the brink of stepping from one world into another. Throughout his schooling, he has learned that the “right answer” is the one the teacher is “looking for.” It has been a precious insight, almost infallible. In the system of higher education I used to believe in, my perverse task would have been to detach Patrick from this reliable strategy and orient him toward another goal: finding out what *he himself* thinks. I would have spent the hour's conference—and perhaps several more conferences as well—trying to help him discover that he already has ideas of his own, and that these—not some regurgitation of his class notes—are the answer I'm looking for.

As a convert to higher-education reform, I don't have to go through all that nonsense anymore. I've downloaded a single right answer on the website I've created for the course. I tell Patrick that all he has to do now is click the “Right Answer” icon, which will lead him to a concise summary of class discussion and lectures on the subject. I point out that if he needs more help he can always buy a term paper from EssayWorld or one of the other Internet companies that sells such products. Clicking an icon is something Patrick is very good at, so he's visibly relieved when he gets up to go.

Innocent lad! If he only knew how close he'd come to tumbling into the dark waters of his own thoughts! But of course I denied myself the pleasure of telling him. We who work in the new higher learning have a rigorous code of propriety to uphold, one dedicated to preserving the radical innocence of our students—that is, our customers. The only satisfaction I allowed myself was to note on my desk calendar that I kept our appointment to just under three minutes. Now that's efficiency.

Or so I used to imagine, anyway. For consider that my cinder-block office must be cleaned, that the light over my head needs electricity, that the building around me has to be heated in winter and maintained all year—even when my students have gone home for the summer. Consider the time I waste walking from my office to the rooms where I teach. Consider the secretary who makes my appointments and sorts mail into the faculty mailboxes. Consider the lawns outside, the trees dropping their leaves in the fall, the miles of asphalt paths cracking after each hard winter. Consider the students' dorms, occupied for just twelve hours a day, barely eight months of the year.

Don't you see it? The beauty of the quest for more efficiency is that it has no theoretical endpoint. We could devote our whole lives to it. As James Carlin, former head of the Massachusetts Board of Higher Education, has declared,

Colleges and universities, in general, are grossly inefficient and ineffective in terms of how they manage their enterprises. You've got underutilization of the physical plant—you've got tenure—which basically ties your hands on how you can manage your work force. You have irrelevant research. You've got extremely low teaching loads for tenured and untenured full-time faculty.

Just think of all the work to be done! Thanks to Carlin, I've started to see waste almost everywhere I look: students standing around in the lobby (chatting about *what?*), classrooms designed for just twenty desks (the same course material could be taught to hundreds, even *thousands*), the much-vaunted seminar or discussion section (do those discussions

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ever lead to a conclusion?), professors doing "irrelevant research" (why *should* we read recovered works of African-American literature?). It's about time we allowed multimillionaire corporate managers like Carlin to step in and take charge of things. Under their leadership, everyone would be a winner. Unchallenged by their professors, students would be more satisfied. Undistracted by needless "research" and unencumbered by antiquated sentiments about learning, we faculty would finally stop wasting prodigious quantities of time and money. And as its reward for helping us through this difficult process, the education business community would finally get what it obviously deserves: 98 percent of the pie, not 2.

BETTER LEARNING THROUGH TECHNOLOGY

Today, if you know where to look, signs of improved efficiency through profit-seeking are visible at virtually every campus in the nation, public and private, prestigious and obscure. Much of the credit for this progress must go to the pioneering intellectuals who have devised a strategy to promote and implement corporate investment in higher education. Foremost among these is the Knight (formerly the Pew) Higher Education Roundtable. Since 1992, the Roundtable has persuaded more than 180 institutions to join its Collaborative, now known as the "Knight Collaborative." Nearly all of these schools have conducted on-campus roundtable discussions, facilitated by members of the Knight Collaborative staff, with the aim of bringing themselves into the twenty-first century as part of what's now called "the knowledge industry."

The Roundtable's seminal 1994 essay, "To Dance with Change," begins by asserting the existence of "a seemingly irresistible impulse on the part of policy makers and public agencies to rely on markets and market-like mechanisms to define the public good." The key word here is "irresistible." It eases us away from a futile search for so-called options—such as churlishly refusing to define the public good in terms of market

values, or quixotically making the case that higher education has its own values—and guides us gently onto the path of progress. Once we see clearly that higher education *must* submit to the "irresistible" nature of the profit principle, we can begin to take advantage of the benefits this trend will confer.

The first of these benefits is technology, crucial because it demands that we reconceive knowledge as "information," and it is through the sluice of this clarification that the highly efficient forces of the market will be allowed to purge higher education of waste and sloth. No one needs professors to dispense mere information; machines can do the job as well or better. And once the sellers of computer hardware and software supply the means through which education is delivered, they will occupy the critical position of the middleman: no one will be able to give or to get an education without going through them.

Soon thereafter we will experience the same efficiencies of scale we've witnessed in the telecommunications industry, which has learned that it is much more profitable to own both the product being delivered and the means of delivering it (that's what the AOL Time Warner and other mergers have been about). Once the purveyors of instructional technology control both the content of instruction (course syllabi, lectures, handouts) and student access to it (computer hardware and software, the Internet), mumbling professors with their mystique of knowledge will have no place in the new university. This is what it means to "dance with change."

Just eight years later, signs of success abound. University administrators now accept and second Robert Reich's assertion that the traditional classroom "tends not to be tailored to the needs of a particular individual," whereas "[w]ith e-learning, you can go at your own pace and do training when you need it and when it's convenient for you." It's obvious, isn't it, that a prepackaged distance-learning course that gives you a limited field of options to "click" is more tailored to your needs than a trained teacher standing in the room

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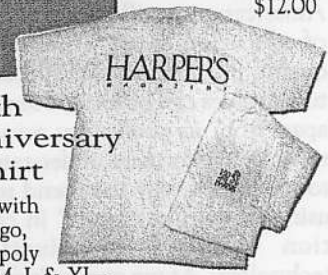
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with you, a person who can misread your expression and ineptly judge whether he or she is effectively communicating? Such increased instructional effectiveness explains why, by 1998, 48 percent of American colleges and universities offered distance-learning courses; by 2000, that number had climbed to 84 percent.

I understand, of course, why many Americans are still reluctant to think of education as an "industry." The quaint, precapitalist myth that a culture's values can be located somewhere apart from its profits has astounding tenacity. Reformers understand this, too, which is why they tend to avoid using words like "profit" in connection with the introduction of technology. At my own university, for example, our former chancellor, David Scott, wisely asserts that the underlying motive of distance learning is not profit or even efficiency but democracy and accessibility. On the home page of the university's distance-learning business, he tells us that

The institution of our virtual campus is another step toward the ultimate goal of bringing education to everyone, everywhere, anytime. The innovative technology available today allows the University of Massachusetts Amherst to extend its reach far beyond the boundaries of the campus. Access to the excellence of the University is now within the reach of all those who have been unable to become part of our residential community.

What will make this possible is a happy pairing of UMassOnline with a for-profit company called eCollege, whose own home page promises that it can "create and deliver a complete online campus, including training of faculty and administration, typically in 60 business days." Why spend decades or more building an actual university when we can get a virtual equivalent in two months? Why limit ourselves to revenue gained through tuition at a campus when we can charge fees to "everyone, everywhere, anytime?"

Not surprisingly, the nation's most elite institutions are in the vanguard of the movement to reform higher education. The University of Chicago

has entered into an agreement with UNext.com (controlled by Michael Milken) whereby the school allows the company to use its name in marketing jointly conceived online courses and, in return, receives royalties. The agreement was doubtless facilitated by the fact that Andrew Rosenfield, the head of UNext, sits on the university's Board of Trustees. And it probably helped that several prominent members of the university community had invested in UNext.

But you don't need to be a University of Chicago Nobel Prize-winning economist to perceive that there's a lot of money to be made here, and some reformers hope that the revenues and savings generated by distance learning will eventually free public universities from their dependence on public funding. According to an article published in Ohio State University's student newspaper, David Brennan, the chairman of the Ohio State Board of Trustees, believes that one million students added through distance learning could "give Ohio State University a \$3 billion budget and would eliminate asking the state for money and charging higher tuition."

Nor has Wall Street been blind to the promising profitability of a more efficient university. While technology stocks in general took a dive in the first quarter of 2001, companies specializing in education were still doing well. "Stock in many education companies is hovering near 52-week highs," reported Rachel Konrad on CNET News.com in March.

Although investors dismissed the for-profit education industry in the mid-1990s as dull and risk-averse, it has roared back into favor and is enjoying the spotlight as a reliable, recession-proof haven for those who have grown weary of technology stocks' hair-raising volatility.

OBSTACLES TO THE NEW UNIVERSITY

For most of the second half of the twentieth century, Americans quite willingly believed that higher education was not about efficiency. They were persuaded of quite the opposite: that the most fundamental value of

higher education is the perspective a student gains by stepping outside the play of market forces and inhabiting, if only for four short years, what former Yale president A. Bartlett Giamatti called "a free and ordered space." Not a cloister or an ivory tower, to be sure, since society itself was always one of the principal concerns of those who congregated there, but a place where a certain kind of thinking and inquiry could be nurtured. The goal was to learn to think "outside the box," as we might say today, whether one's field of inquiry was physics, business administration, history, or nursing.

It is, of course, perfectly clear to the mind of the profit-seeking managerial re-engineer that nothing is more inefficient than this antiquated conception of higher learning. It amounts to shutting down the assembly line and saying, "Let's think about what's going on here." And yet some people persist in the belief that the creation of better assembly lines may depend, in the long run, upon minds that have learned to think for themselves. This is why the efficiencies promised by higher-education reform will first require a thorough re-engineering of the typical college student.

In his or her traditional manifestation, the student is an atavism, a throwback. He or she comes to the university in the spirit of humility, hoping to learn from a faculty that has something special to offer—not just information but knowledge, perhaps even "wisdom." For decades the basic mechanism enforcing this set of values was ingeniously simple: grading. The professor's power to grade students was the means by which a crucial message could be sent: *You still do not know what you need to learn.* Faced with a B- or a C or a D at the bottom of an exam or paper, the student always had a choice: continue without fundamentally changing his habits of mind, his sense of his potential as a learner, or seek to understand why his work was still unsatisfactory and strive to grok what that eccentric professor was trying to get across.

Now two forces have worked in tandem to dismantle that system: Back in

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the 1970s, professors learned that they could teach more effectively by using the carrot rather than the stick. At the same time, the administrators of many colleges and universities began to realize that good grades made for happy students—and generous alums. When I attended Amherst College in the 1960s, its most famous teacher was known to scrawl huge red lines down the page of a student's paper and write "NO!" in the margin. Today, young Amherst faculty coming up for tenure grade more charitably, knowing that the administration will ask every student they ever taught for his or her opinion. Consequently, Amherst students are much better than in my day: more than three quarters of them now graduate with honors.

Today, grades at most colleges and universities have been similarly adjusted, so that only the clearest messages are sent. Today, we mete out mainly As and Bs, telling students either that they're brilliant or that they're very good. This is quite a step forward: In 1969, 7 percent of students nationwide received grades of A- or higher. By 1993, this proportion had risen to 26 percent. Grades of C or below moved from 25 percent in 1969 to 9 percent in 1993.

Because they grasp so well the blessings of tuition and alumni goodwill, elite schools like those of the Ivy League have been especially successful in reforming their grading standards. At Princeton the median grade point average for the class of 1973 was 3.078. The median GPA for the class of 1997 was 3.422. At Dartmouth, the average GPA rose from 3.06 to 3.25 between 1977 and 1994, with 47 percent of current grades now registering as A or A-.

It's hardly surprising that the school with the largest endowment shows the most improvement. At Harvard, 49 percent of the undergraduate grades given during the 2000-01 year were A and A-, more than double the figure for 1966. The percentage of C+ grades and below has fallen from 28 percent in 1966-67 to 6 percent in 2000-01. Harvard now graduates fully 91 percent of its seniors with honors.

The beauty of grade inflation is that it turns disgruntled students and

anxious parents into happy customers. In the old medieval system, low grades were used to punish students; tough grading fostered a spirit of humility to which all but the cockiest goof-offs had to defer. Now our campuses are democratized and our youth are empowered: they can now expect to get something in return for their parents' money. But the deeper virtue of grade inflation is that it allows all schools to become *automatically* more efficient. Better students get better grades, do they not? And does it not then follow that higher grades mean the institution is attracting and producing better students? Does a professor who writes "A" in his grade book cost more than one who writes "B-"? Of course not. Thus do higher grades satisfy the magic formula of efficiency: increased output without a corresponding increase in input.

Now that I've come to understand what the Knight Higher Education Collaborative explains about higher education, it's embarrassingly obvious that I and my colleagues were previously being lazy, avoiding the truth when it was staring us in the face. How could we not have known that we were serving a clientele? Without the hard data of the sort best supplied (and best graded) by multiple-choice tests, how could we have been sure that we were accomplishing anything at all? All the cant about teaching people to think for themselves just concealed from our students, our administrators, and ourselves the fact that we were no longer really relevant.

ENEMIES OF THE NEW UNIVERSITY

So it is with a regret bordering on shame that I report to you that most of my colleagues still believe in the old system. They continue to read student essays with care and spend hours grading and commenting on them. They continue to insist on treating each student as an individual, with an individual's needs and an individual's learning style. And they continue to regard higher education as a place apart, exempt from the inexorable laws of the market. Protected by what James Carlin so aptly calls "the absolute scam" of

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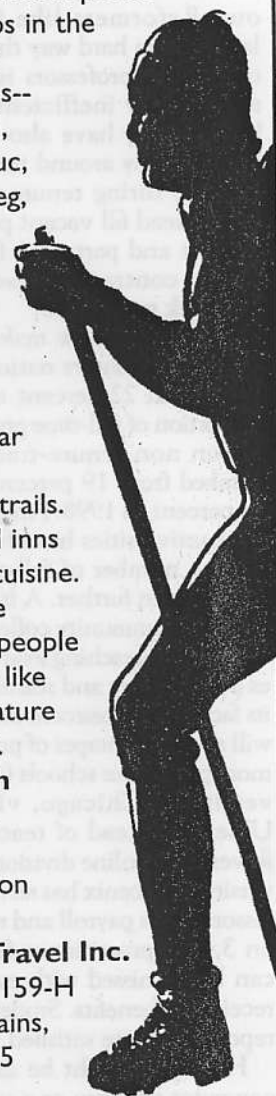
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tenure, they peer over the crenellated walls of the ivory tower and refuse to join the dance. Carlin knows quite well that these people need to be shocked, not coaxed, out of their complacency. "Now there's going to be a revolution in higher education," he tells them. "Whether you like it or not, it's going to be broken apart and put back together differently. It won't be the same. Why should it be? Why should everything change except for higher education?"

Luckily for the next generation or two of American college students, higher education is indeed being "broken apart," and professors as we have known them are on the way out. Reformers like Carlin have learned the hard way that getting rid of tenured professors is difficult, no matter how inefficient they might be, but they have also figured out a brilliant way around tenure: we simply stop hiring tenure-track faculty and instead fill vacant positions with adjunct and part-time faculty working on contract. These folks don't talk back to the boss!

Part-timers now make up 43 percent of instructors nationwide, compared with 22 percent in 1970. The proportion of full-time professors working on non-tenure-track contracts climbed from 19 percent in 1975 to 28 percent in 1998. And truly innovative universities have found ways to cut the number of full-time tenured faculty even further. A friend tells me that her community college has upped the average teaching load to five courses per semester and started describing its faculty as "classroom managers" who will show videotapes of professors from more prestigious schools (e.g., the University of Chicago, via Milken's UNext) instead of teaching themselves. The online division of the University of Phoenix has no full-time professors on its payroll and relies instead on 3,400 "practitioner faculty," who can be dismissed with ease and who receive no benefits. Students there are reportedly quite satisfied.

How, you might be asking, can a computer program or a video tape of a famous professor's lectures actually teach students *skills*—how to articulate problems in their own terms, how to devise their own solutions,

how to imagine their way outside the box of orthodox thinking? The answer is simple: They won't. They won't need to. Education reformers have thankfully deemed such "skills" irrelevant. The whole standards movement, after all, is about restricting learning to what is *actually useful*: the memorization of information, the streamlining of knowledge to what can be evaluated by a standardized test. By curtailing the excessive autonomy of K-12 teachers and requiring them to teach "to the tests," we are preparing future college students for a brand of higher education designed and administered by the savviest segment of our society: for-profit corporations. Soon, the thousands of dollars you pay for tuition will go straight to the people who run these companies, and not a penny will be wasted on teachers and classrooms.

Why not take the advice offered in a recent online article, titled "Corporation Learning: A Paradigm for Learning in the 21st Century," and turn the whole affair of teaching over to businessmen? They're the ones with the expertise in job training, which is what reformed higher education is all about. Students who are really customers deserve teachers who are really businessmen.

When I was a kid, I used to dream that scientists would invent a knowledge pill. I'd take one every night before going to bed, and the next morning I'd run outside to play with my friends instead of trudging off to school. Meanwhile, painlessly and miraculously, I'd be learning everything I'd need to know as a grown-up.

Well, we haven't gotten that efficient yet, but we're getting close. At least we all can agree that learning is a means, not an end. What matters is emerging at the end of the process with a ticket that guarantees you access to a comfortable lifestyle. For most of the twentieth century, we artificially and expensively subsidized that process, allowing students and teachers inside the system to dabble in all kinds of meaningless and wasteful activities in the name of "learning." Now that we've recon-

ceived of education as a process that generates profit, we'll quickly squeeze the inefficiencies out of it. Knowledge will be seen for what it truly is: if not a pill you can swallow, at least a commodity you can buy.

Change is indeed irresistible. Tenure will soon be abolished everywhere, the last whining voices of self-serving dissent will fall silent, and the re-engineering of American education will proceed unimpeded. Call me a Romantic, but I like to think that at least some of my colleagues will see the light and join the dance. There's something marvelously *clean*, after all, about seeing the world in terms of inputs and outputs, and there's something wonderfully egalitarian about dealing with young people as customers. Above all, there's profound wisdom in accepting the inevitable.

Indeed, as I reread Emerson these days, I discover that this is precisely what *he* was saying, too. I used to focus on such sentences as, "Trust thyself: every heart vibrates to that iron string." Now I teach my students that the very next sentence is much closer to Emerson's real message: "Accept the place the divine providence has found for you, the society of your contemporaries, the connection of events."

But if such compelling principles fail to lure my colleagues onto the dance floor, they might respond to the most powerful inducement of all: cash. My university is quite typical in offering financial incentives to professors who lead the way into the new world of instructional technology. All of my classes will soon be online, and I don't doubt that I'll be handsomely rewarded for video-streaming my lectures, for using a software program to grade my tests, and for conducting all communications with students by email. My efficiency will reduce face time to zero, and I'll be able to manage all my distance instruction from the villa I plan to acquire in the Bahamas. Meanwhile, I'll be investing the considerable difference between my outputs and inputs in UNext and other education-for-profit companies.

Like so many other Americans, I've learned to dance with change. ■