HAS THE CLEVER DOCTOR FAUSTUS OVERINDULGED IN THE CURSED NECROMANCY OF THE CORPORATE WORLD OR HAS HE FOUND ANOTHER WAY TO PRESERVE, TO ENLARGE AND TO TRANSMIT LEARNING’S GOLDEN GIFTS?

JAMES F. SHEKLETON*

In politics, it is sometimes said that even a good proposal cannot bear the burden of its supporters. So sometimes is it with proposals to apply, in higher education settings, principles applied in commercial spheres.1 This paper explores a narrow band of issues that arise in the polemics that course through the academy when governing boards and administrators turn to business principles to find ways to cope with the fiscal problems that beset colleges and universities.

The paper proceeds in three parts. The first part discusses the circumstances that make academics suspicious of those who tout the utility business principles in resolving academia’s ills and the protests that some academics raise. The second part outlines the fiscal constraints and suggests how some business principles may be fairly applied to address them. The third part

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* General Counsel, South Dakota Board of Regents. B.A. with high distinction, University of Minnesota, Morris; Ph.D., Philosophy, University of Oregon; J.D. University of Minnesota Law School. Mr. Shekleton also attended courses at the Universitat de Barcelona and the Universitat Autònoma de Barcelona. This paper derives from a book review published as “Review of Stanley Aronowitz’ The Knowledge Factory: Dismantling the Corporate University and Creating True Higher Learning,” Journal of College and University Law, vol. 28, no. 2, 2002, pp. 495-513.

1 There is great irony in this, since the Medieval universities assumed many of the legal structures and practices of the leading commercial institutions of their day, the trade guilds that practiced state sanctioned monopolies over economic sectors ranging from the sale of fish to the manufacture of cloth and, in time, to licensing teachers. See, Helene Wieruszowski, The Medieval University, pp. 31(Paris), 67-68 (Bologna), 138-39 (Statutes of Robert de Courçon – 1215), 167-68 (excepts from the Statutes of the City of Bolobna concerning the studium, cerca 1274) (1966); Adalbert, Bishop of Worms: Grant of a Craft Gild to Fishermen, 1106-1107 http://www.fordham.edu/halsall/source/1105fishermangild.html (Visited January 14, 2003); The Regulations of the Weavers’ Gild of Stendal, 1233, (“Whoever is not of the fraternity is altogether forbidden to make cloth.”) http://www.fordham.edu/halsall/source/1233Weavers4.html (Visited January 14, 2003).

The attempt to apply business principles to improve American higher education has a proportionately long heritage as well. In 1910, the Carnegie Foundation for the Advancement commissioned an engineer to conduct an efficiency study of American universities. Robert Birnbaum, Management Fads in Higher Education: Where They Come From, What They Do, Why They Fail, p. 16 Jossey-Bass (2000) (reviewing the initiatives to apply the business management theories du jour to university governance and administration)(Among other things, the engineer “suggested that institutions use a novel approach . . . called the ‘credit hour’ as a unit with which to measure efficiency.”) (citing M.L. Cooke, Academic and Industrial Efficiency: A Report to the Carnegie Foundation for the Advancement of Teaching. New York: Merrymount Press, 1910). The effort to rationalize higher education administrative practices along accepted business practices began in earnest in the sixties. See, Birnbaum, 24, 33-40 (tracing the rise and fall of the Planning Programming Budgeting System).

Despite this long pedigree of urging higher education to apply business practices to the examination and improvement of its internal workings, the National Commission on the Cost of Higher Education observed that:

This Commission, therefore, finds itself in the discomfiting position of acknowledging that the nation's academic institutions, justly renowned for their ability to analyze practically every other major economic activity in the United States, have not devoted similar analytic attention to their own internal financial structures. Blessed, until recently, with sufficient resources that allowed questions about costs or internal cross-subsidies to be avoided, academic institutions now find themselves confronting hard questions about whether their spending patterns match their priorities and about how to communicate the choices they have made to the public.


So it appears that the constant urging to become more business like has produced indifferent results, even in matters involving core business practices.
examines the charges that business interests have perverted, or will inevitably pervert, the higher education curriculum.

**Part I. How the use of business principles in academic planning and decision-making can raise apprehensions.**

Rhetoric makes a difference. Some of those who justify their arguments with broad appeals to business usage or market principles stir opposition needlessly. Consider the following:

Marketing higher educational training as a commodity in the global economy presents an opportunity to reform the costly practices that hamper the international competitiveness of American universities. Designating those who matriculate as "clients" and "customers" rather than "students" encapsulates a proper businesslike attitude, but universities have barely begun to cheapen higher education sufficiently to assure consumer satisfaction. It is time to examine how to implement money-saving educational reforms and the likely consequences those reforms will have for higher education. Maintenance of faculties constitutes American universities' most costly problem as they get ready for the next millennium. Higher educational training has been a labor intensive process. Personnel costs, of which salaries and benefits for tenured faculty take up the lion's share, typically account for about 90 percent of operating budgets. While progress has been made in cutting these costs - larger class enrollments, buyouts and early retirements of senior faculty, increased use of teaching assistants and part timers, and holding salary and benefits increases below inflation - most universities have barely begun to realize the savings offered by new instructional technologies.²

² Michael Margolis, “Brave New Universities,” First Monday: Peer-Reviewed Journal on the Internet (1998) (to survive in the global market, universities must, *inter alia*, downsize faculty by replacing classroom lectures with both asynchronous and simultaneous interactive sessions on the Internet), http://www.firstmonday.dk/issues/issue3_5/margolis (Visited January 11, 2003). Those who advocate reliance on Internet-based instructional programs seem particularly given to proposing scenarios that challenge academic traditionalists. For example, we might sign up for "ECON I" online from University X, take the course by self-study, then find out that we can hire an independent "tutor" to facilitate the coursework for us. In this case, we would be taking the course from one provider (who provides and accredits the content), learning from a second (who shapes the information so that we can consume it), and receiving credit from a third (who keeps the transcript that measures our progress toward a degree).

Now we've not only unbundled the traditional delivery method for the school, we've actually "unhooked" the faculty member's role from the course content. A generic "course" could be facilitated by a huge variety of faculty members. And a single, effective "tutor" could facilitate a huge diversity of apparently different "courses"

Sound complicated? Maybe it is. But it's also extremely efficient and, when done correctly, very elegant. One more thing: This model cuts so much "slack" from the traditional delivery process that it can reduce the cost of a college education significantly, perhaps as much as 75-90% (compared to the most expensive "traditional" education). It's also an enormous benefit to students. Now, for the first time, learners can actually comparison shop for the best courses, at the best prices, delivered most conveniently. It's a liberating and enabling movement for self-driven learners. Todd Wieland, "'Unbundled:' Higher Education's Inevitably Virtual Future," VirtualStudent.com, http://www.virtualstudent.com/html/unbundled.html (Visited January 11, 2003). Perhaps the most remarkable aspect of this emphasis on convenience and cost reduction is its utter lack of connection with the practical realities teaching flesh and blood people effectively. The grand vision of the electronic university extols the power of the technology to empower the impatient, but it seems to assume that students are all self-
The rhetoric here, deliberately, no doubt, rubs against the grain of much that is near and dear to educators. Students are no more customers than are patients or worshipers, though all may actually pay tuition or fees or tithes. While the payment is essential to being able to support the institutions in which the tutor, the physician, and the priest labor, those institutions do not exist merely to participate in commerce. Many of the pursuits that are most important in life have economic significance, but their purposes cannot be understood solely in terms of its cost or market value. Couple the epistemologically dubious reductionism of the above-quoted “business” analysis with the unalloyed assertion that faculty are the university’s most costly problem and should be eliminated through the use of technology, and most academics will have stopped listening, their minds cluttered with fulminations against philistines.

Politicians bent on cutting higher education appropriations conjure up the same bogies by equating academic program legitimacy with student enrollments or economic development. It has often been said that the public should not “support academic programs that serve only a handful of students or do not deal with the state's perceived economic needs. ‘It is very expensive and costly to maintain the professors, buildings, and all that stuff that goes along with delivering a course. Where it serves little or no purpose, we want to eradicate it.’”\(^3\) No wonder many academics react adversely to discussions of costs and efficiency. These words often serve as codes to introduce discussion of program elimination and staff reductions or other changes that directly affect the nature, security and perquisites of academic work.\(^4\)

In view of the rhetoric, and the very real threat to economic security posed equating value with student demand and economic utility, there is scarcely any wonder that many academics would see a Faustian bargain in the attempt to use business principles to improve college and university operations. But the matter is made all the worse by another set of circumstances. Even when business-born quantitative analytical techniques are presented without obtuse

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\(^3\) Peter Schmidt, “Following Reviews, Many States Look to Cut Academic Programs,” *The Chronicle of Higher Education*, (February 14, 1997) (quoting Marc Basnight, then president pro tem of the North Carolina Senate). Statements uttered by politicians are always problematic. Though academics typically want to join the debate by responding to what was actually said, to do so may fail to engage the politician. Often enough, politicians who are committed to one set of priorities will utter sentiments such as those quoted in order to create a politically acceptable cover that will allow them to dismiss someone else’s priorities, especially if funding the other person’s project would limit the politician’s ability to achieve those for which commitments have already been made.

\(^4\) See, also, James F. Carlin, “Restoring Sanity to an Academic World Gone Mad,” *The Chronicle of Higher Education*, p. A76, November 5, 1999 (advocating increased faculty course load, increasing the instructional day, lengthening the academic year and touting elimination of 72 low-performing academic programs).
flourish, their operation, under current circumstances, can deepen the apprehension of many faculty members.

Nothing is more common when reviewing academic programs than to consider current and projected enrollments. The number of professors needed is a function of the number of students who seek to take the course, so it makes sense to consider enrollments to determine whether the institution has sufficient, or perhaps too many, faculty members. However unthreatening and reasonable such quantitative analysis appears in the abstract, when gauged against current enrollment patterns, it can assume a sharply different aspect.

Enrollments in business have skyrocketed over the past three decades. In 1970-71, 13.6% of all students graduated with baccalaureate degrees took them in business disciplines. By 1999-200, the figure had grown to 20.8%. In contrast, disciplines such as those in the social sciences and history whose 1970-71 graduates comprised 18.5% of all degree recipients now graduate only 10.3%, a total number of graduates that is half the number taking business degrees.

Under existing enrollment conditions, the use of quantitative analytical methods commonly employed in business to distribute resources among academic programs works to the advantage of business programs. It should not be surprising to hear cries of foul, for it appears that business rationale, especially if wielded by board members who regard their business experience as a major qualification to oversee institutional functions, operate to channel scarce resources to business programs at the expense of traditional disciplines. At present, application of business principles to distribute resources among departments can restructure the very curriculum, skewing funds toward vocational disciplines and away from traditional liberal arts fields.

Especially to academics committed to low enrollment disciplines long considered key to preparing students to assume the roles of social and political leadership, the use of quantitative

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5 See, e.g., Jane V. Wellman, “Weathering the Double Whammy: How governing boards can negotiate a volatile economy and shifting enrollments,” Association of Governing Boards, 22-23 (2002) (reprinting an excerpt from Robert Dickeson, Prioritizing Academic Programs and Services, Jossey-Bass (1999) (recommending, inter alia, that institutions consider “the potential for future enrollments,” whether program funding and support “correspond to demand,” whether the program generates “resources from enrollments, subsidies for services they provide to other programs, research grants, fund-raising, equipment or capital donations, ticket revenues, and admission, laboratory, or user fees”


7 Id.

8 Id.

9 Id.

10 See, Carlin, “Restoring Sanity.”

11 Keith H. Hammonds, “The new U: a tough market is reshaping colleges,” Business Week, p. 96 (Dec 22, 1997) (many colleges to adopt business-like strategies; schools are designing curricula more practical to employers, students, and communities).
analyses that seemed fair and unexceptionable in the abstract can seem unfair and duplicitous when viewed in operation, a guise to secure more funds for business and other vocational fields. Here is the breeding ground of suspicion that the market ideology that predominates today has intruded upon the academy and is poised to reshape it into an efficient, but intellectually impoverished training ground for the commercially subservient classes.\(^{13}\)

**Part II: Fiscal constraints suggest how some business principles may be fairly applied to address them**

Although some of those who advocate the use of business principles to address problems within the academy burden their cause with ill chosen rhetoric, there are sound reasons to examine financial and analytical tools that have shown promise in the business sector. Principles adopted from business practices can, and must, contribute to addressing real and abiding fiscal problems that confront higher education.

**The fiscal constraints that confront higher education are real and are not temporary.**

Since the end of World War II, American higher education expanded capacity in an effort to provide universal access to collegiate education for those with the preparation and the finances to take the opportunity. This growth was subsidized by substantial public investments over the final decades of the Twentieth Century.\(^{14}\) Nevertheless, beginning in the seventies, public funding for higher education slackened.\(^{15}\) Throughout the 1980’s and the 1990’s, the flow of public funds to accredited postsecondary institutions diminished as a portion of total revenue, while tuition and fees increased.\(^{16}\) The decrease in state support led to tuition increases at public

\(^{12}\) See, below, at p.

\(^{13}\) Advocates of the liberal arts are keenly aware of “the stark reality today: the prevalence – one might say the hegemony – of the marketplace imperative in American society.” Beverly L. Kahn, “Co-opting the marketplace in service of liberal arts education,” *Liberal Education*, vol. 88, p. 54 (2002) (discussing strategies that might help liberal arts disciplines pique the interest of the increasing vocational minded students entering today’s universities) (citing statistics that suggest that 85% of high school students see the goal of college as getting a practical education to secure a job, while only 14% have any familiarity with a liberal arts education).

\(^{14}\) The GI Bill extended to higher education the policies of universal access to education that had become the norm in the country for elementary and secondary institutions. Patricia J. Gumport and Barbara Sporn, "Institutional Adaptation: Demands for Management Reform and University Administration.” National Center for Postsecondary improvement, p 13 (1999). The capacity of the American university system expanded from then throughout the sixties. Marvin W. Peterson, “Improvement to Emergence: An Organization-Environment Research Agenda for a Postsecondary Knowledge Industry,” National Center for Postsecondary Improvement, pp., 4-5, (1998). (from the early 1970’s when public support for institutions flagged institutions began to emphasize efficiency, to market their programs, to consider managerial and market-oriented organizational models, and to develop quantitative approaches to measuring effectiveness and efficiency).

\(^{15}\) Peterson, “Improvement to Emergence,” p. 6 (suggesting that the turbulence on campuses during the seventies detracted from higher education’s positive image and played a role in compromising public support for the institutions).

\(^{16}\) Digest of Education Statistics 2001, National Center for Education Statistics, Table 330 (for accredited institutions)(between academic year 1980-81 and 1995-96, revenues from tuition and fees increased from 21% of total revenues to 27.9%, while federal appropriations and contracts – federal student aid is included in tuition figure – declined from 14.9% of total revenues to 12.1%, and state appropriations and contracts from 30.7% of total revenues to 23.1%).
four-year institutions,\textsuperscript{17} which, in turn, created opportunities for local private institutions to increase their tuition fees.\textsuperscript{18}

Over the same time period, as public institutions become more dependent upon tuition revenues, competition for students and the revenues that they brought to institutions has increased.\textsuperscript{19} The competition, in turn, increased cost pressures. Competition for the best faculty and facilities drove costs.\textsuperscript{20} In the case of private institutions, competition in the form of variable pricing strategies, discounted tuition offers, created the need to subsidize the discount.\textsuperscript{21} The costs of such competitive strategies were passed along to students and their parents in the form of tuition increases that consistently, and substantially, exceeded the rate of inflation, at times doubling it,\textsuperscript{22} and also increased at rates exceeding the direct costs of operating the institutions.\textsuperscript{23}

The sustained pattern of above inflation tuition increases engendered public mistrust and triggered political investigation.\textsuperscript{24} Congress sought to determine whether the availability of federal financial aid was contributing to tuition increases.\textsuperscript{25} Prominent educators expressed their concern with “the possibility that continued inattention to issues of cost and price threatens to create a gulf of ill will between institutions of higher education and the public they serve.”\textsuperscript{26}

Although some of the erosion in public funding for higher education may have reflected mistrust of the purposes and practices of the academy,\textsuperscript{27} such factors do not tell the whole tale;

\begin{itemize}
\item \textsuperscript{17} National Center For Education Statistics, “Study of College Costs and Prices, 1988–89 to 1997–98,” Volume 1, p. 132 (2001)( For the public 4-year institutions, the single most important factor associated with tuition increases was decreasing revenue from government appropriations, with state appropriations making up the majority of such revenue.)
\item \textsuperscript{18} National Center For Education Statistics, “Study of College Costs and Prices, 1988–89 to 1997–98,” Volume 1, pp. 83, 88, 90, (2001) (Higher tuitions were associated with higher average tuition levels at public 4-year institutions in the state). Federal loan programs were modified in 1972 to permit students to secure loans for proprietary institutions, as a result, traditional public and nonprofit institutions have increasingly found themselves competing with for-profit institutions for students. Peterson, “Improvement to Emergence,” p. 7.
\item \textsuperscript{19} Federal loan programs were modified in 1972 to permit students to secure loans for proprietary institutions, as a result, traditional public and nonprofit institutions have increasingly found themselves competing with for-profit institutions for students. Peterson, “Improvement to Emergence,” p. 7.
\item \textsuperscript{20} National Center For Education Statistics, “Study of College Costs and Prices, pp 83, 84, 90 (higher tuitions were related to higher instruction expenditures, which were assumed to serve as proxies for quality).\textsuperscript{21} Wellman, “Weathering the Double Whammy,” pp. 14-15.
\item \textsuperscript{22} Between 1985 and 2001, tuition at public and private institutions increased at double the rate of inflation. Finaid.org http://www.finaid.org/savings/tuition-inflation.phtml (based upon Bureau of Labor Statistics and College Board data) (Visited January 12, 2003).
\item \textsuperscript{23} National Commission on the Cost of Higher Education, “Straight Talk About College Costs and Prices,” (1998)(between 1987 and 1996, the instructional cost per student at public four-year institutions increased 57% while tuition increased, 132%; at private four-year institutions, over the same period, the cost per student increased 69 % on average, while tuition increased by 99%).
\item \textsuperscript{25} National Center for Education Statistics, “Study of College Costs and Prices,” p. iii. The study concluded that there was no statistically significant association between financial aid, whether federal or state or whether grants or loans and tuition at either public or private non-profit institutions. Id., at 1345.
\item \textsuperscript{26} National Commission on the Cost of Higher Education, “Straight Talk.”
\item \textsuperscript{27} Peterson, “Improvement to Emergence,” p. 6.
\end{itemize}
demographic pressures and shifting economic circumstances drove other policy choices. The ascendency of priorities such as Medicaid and corrections compromised state ability to increase higher education funding and threaten future increases.

Current circumstances suggest that close attention to the workings of higher education will continue unabated. In the short-term, the recession has eroded endowment earnings and tax revenues and undercut the revenue expectations built into public and private institution budgets. In many states, this downturn is occurring at the very time that enrollments are projected to rise as the children of baby-boomers enter the university and as more nontraditional students seek higher education. The long term is no better, for even projections for state fiscal conditions after the current recession anticipate significant structural gaps between projected revenues and projected costs for existing programs, given demographic trends.

As though it were not enough to confront diminished public support, genuine, reasonable mistrust of higher education cost and pricing practices, and increased competition for students, a concern for the quality of academic programs also emerged. Critics complained that universities failed to prepare students with the critical social skills and imagination needed to contribute to successful organizations. Some question whether higher education is effective in encouraging basic learning. University administrators recognized the need to manage not only costs and revenues, but also academic quality.

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32 Wellman, “Weathering the Double Whammy,” pp. 6, 13; Boyd, “State Spending for Higher Education,” p. 11. It should be noted, though the articles do not emphasize this point, that, while increasing enrollments may overburden the finances of institutions that must accumulate the staff and facilities to accommodate the new students, the loss of enrollment can be just as devastating to public institution finances as it is to private institutions.


35 National Center for Postsecondary Improvement, “Beyond Dead Reckoning: Research Priorities for Redirecting American Higher Education,” p.3 (2002) (critics regularly question the learning of college graduates and one out of five participants in a random survey of heads of households regarded higher education are doing just a fair or poor job).

36 Peterson, “Improvement to Emergence,” p. 8.
Taken together, these circumstances present significant challenges to college and university management practices. Students and parents must make real sacrifices to finance higher education.\(^{37}\) Student debt load often reaches such levels that its management has substantial, long-term affects on the economic, social and family lives of the former students.\(^{38}\) Even the prospect of debt can deter some students for pursuing higher education, thereby compromising the academy’s traditional mission of facilitating social mobility.\(^{39}\) Students and parents have every right to expect that colleges and universities explore all tools and strategies to attempt to control the costs that must be borne, and academic governing board and administrators have a moral, if not a legal, obligation to avoid pricing strategies that unnecessarily drive up costs that students and parents must bear.

The pressure to control costs arises from many sources. Costs must be controlled to compete more effectively for students. Costs must be controlled to compensate for stagnant public support and the occasional disturbances caused by fluctuating financial markets. Significantly, costs must be controlled in order to channel funds where needed most to maintain and enhance the quality of the academic experience. Confronted by such circumstances, institutions of higher education have no choice but to examine closely the possibilities that principles borrowed from business might prove helpful in the abiding task of minimizing the operating costs that must be financed by students and their parents.

Some business practices should provide effective, uncontroversial ways to relieve cost pressures; others can be shaped to provide reasonable means to consider the difficult alternatives that affect curricula and faculty.

Some practices born of business can be incorporated into higher education without controversy. Even those most concerned by the influence of business on the academy are unlikely to fret if told that the cost of paper stocks were reduced by using reverse auctions or that outsourcing the food service avoided the necessity of raising the prices in the cafeterias or that investment in student information systems allowed the institution to reduce the cost of keeping

\(^{37}\) National Commission on the Cost of Higher Education, “Straight Talk,” “We do not take lightly the public concern generated by increases in tuition. Worry about college prices, the difficulty of planning for them, and the amount of debt they entail dominated a discussion group of parents convened by the Commission in Nashville in November 1997.”

\(^{38}\) Sandy Baum and Diane Saunders, “Life after Debt: Results of the National Student Loan Survey, Final Report,” pp. 26-29, Nellie Mae, (1998)(noting borrower reports that loan debt influenced a sizeable minority of students to change careers and a higher rate of self-reported perceptions that debt load caused borrowers to delay home-buying, marrying or having children, though data on actual conduct suggested an exaggerated perception that debt caused delay in other significant actions, such as home owning, marriage or children).

records while eliminating registration lines and speeding the process of determining whether courses meet enrollment minimums.  

The sharpest controversies about the use of business principles always involve their application to the curriculum or to the faculty. Nevertheless, no critic of the use of business principles to contain costs has both acknowledged the existence of the sorts of fiscal and moral problems discussed above and still tried to make a case for inaction. Measured critics tend, instead, to emphasize the need to approach the use of cost analysis with caution and with due concern for the special roles that colleges and universities play in Western society. Critics recognize that it is critical to understand the real mission of the academy in order to employ the analytical tools of business appropriately.

Such critics do not suggest that it is improper to consider enrollments and staffing needs. Rather, they suggest that a more complex approach is required, one that considers not only demand projections, but also how a program fits within other programs offered by the institution, and, especially, within the mission of the institution. Quantitative analyses need not be rejected; rather they should be specified in ways that meet the special needs and circumstances of colleges and universities and combined with non-quantitative considerations that reflect the mission and structure of the institutions, and this can be done. Analyses so conceived should provide

40 It should be noted, as well, that sometimes business strategies, such as outsourcing, can be applied to help overcome cost barriers to preservation of low-enrollment, but mission critical, academic programs. Wellman, Weathering the Double Whammy, pp. 35-37 (recommending that consideration be given to cost containment through interinstitutional program sharing, as a way, e.g., to allow institutions to support low-enrollment disciplines, as the Associated Colleges of the South provides a ‘virtual classics department’ to allow students of any member college to complete a major in classics, even though each of the individual institutional departments is quite small). The South Dakota Board of Regents employs this very strategy to provide programs in French, Spanish and Physics at system institutions whose size would not permit each of them to hire full departmental staffs in these disciplines to support the curricula needed to offer majors.


42 Frank Newman, “Saving Higher Education’s Soul,” The Futures Project: Policy for Higher Education in a Changing World, p. 3-5 (http://www.futuresproject.org) (September 2000) emphasizing the need to balance “the new trend toward more ‘business like thinking,’ with an emphasis on ‘revenue maximization’ and the idea that every activity ought to support itself” with “the broader purposes of higher education,” to prepare young people for life in society, both in the workforce and in the community as citizens of a democracy, providing all citizens social mobility, supporting disinterested scholarship in the pursuit of truth and fostering open and unfettered discussion of critical issues confronting society.)

43 Henry A. Giroux, “Letters to the Editor: The Corporate Model for Reforming Academe,” The Chronicle of Higher Education, B12 (January 7, 2000) (responding to Carlin, supra note 3) (Any viable notion of reform must begin by defending higher education as an institution of civic culture whose purpose is to educate students for active and critical citizenship. …Higher education needs to meet the challenge of offering students the skills they need for learning how to govern…while developing the knowledge necessary to further the promise of a democratic society. If we take the latter seriously, we won’t confuse, as Carlin does, the distinction between education and training.); Aronowitz, The Knowledge Factory, 123 (“…[T]he specifically academic mission of higher education---to produce and transmit knowledge that helps society by enriching the self---already relegated to the back burner, is rapidly being consigned to history by the corporatization of American colleges and universities.”) (emphasis in the original).

44 The following criteria are provided without detailed discussion. Though any academic would surely find ways to re-phrase this criterion or that, or to question one or more criteria, or otherwise to tinker with the enumeration, they still serve the purpose of showing how an approach to program review might be developed that would drive decision-making back to documented, or documentable, actions defining the mission of programs, their interrelationships with one another, their effectiveness and a series of other circumstances that ought to be considered, in addition
decision-making processes that are sufficiently objective to be accepted as fair and likely to yield educationally and fiscally sound outcomes.

It is certainly true that principles that work in business may not be readily transferable to the academic setting, but that is not a reason for failing to explore the possibility that they may help address the fiscal demands that confront the academy. It is also true that application of this or that business principle may fall short of expectations, but that is no reason to reject any effort to explore business-born strategies to meet the financial needs and moral obligations of the academy. It is true, finally, that persons with a dim understanding of academic practice, or persons intent upon implementing their own vision of the academy, may be unable or unwilling to apply business principles usefully in the higher education setting. Still, such misunderstanding or special interests may interfere with any putatively fair process, so the possibility such ineptitude or perverseness may subvert the application of business principles to the academy cannot justify ignoring them altogether.

Viewed *a priori*, then, despite the understandable misgivings that might arise under the circumstances discussed in Part I, above, there would appear to be no substantial grounds to avoid modifying principles that have proven serviceable in analyzing complex business activities to attempt to analyze similar problems that arise in the operations of colleges and universities. Indeed, given the compelling economic and moral obligations to address costs, the burden would appear to be on the critics to justify ignoring tools that may well prove their worth.

**Part III:** The critics of the corporate university have neither made the case that business interests or market enthralled universities have caused the increased enrollments in vocational disciplines, nor have they made the case that business curricula cannot lend themselves to the development of the complement of critical thinking skills thought to characterize the liberal arts graduate.

Critics of the corporate university often complain that business interests and imperceptive administrators conspire to manipulate enrollment increases in vocational disciplines and dismiss vocational disciplines as narrow endeavors unsuited to the broadening goals of the traditional liberal arts disciplines. Neither of these charges is justified.

Although there is ample evidence to show that students have gravitated towards curricula in vocational areas, especially in business fields, there is no evidence to support the radical claim that business interests and universities have somehow manufactured the shift in enrollments.

From the onset of the modern Western university system, vocational education has always played a core role in the development of universities. Public higher education in America was strongly imprinted with the purpose of fostering practical education. The Morrill Act expresses the consensus of the politicians and statesmen who created public systems of

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45 Aronowitz, *The Knowledge Factory* at 55-56, 112, 142; National Center for Postsecondary Improvement, “Beyond Dead Reckoning,” p.19 (calling for additional research into the effects of “market forces on academically important fields that do not have a lucrative proximate market”); Newman, “Saving Higher Education’s Soul,” p. 6 (noting that for-profit institutions tend to focus only on “the development of workforce skills and avoid major efforts to round out the student’s education, which are expensive to undertake,” and expressing concern that the growing importance of for-profit activities within traditional universities may “lead to the ultimate scaling back of those activities not directly connected with the more narrowly defined teaching tasks”).

46 Aronowitz, *The Knowledge Factory* at 161; See, also, Katherine Zmetana, “Reflections on Change: A Community College Faculty Perspective,” Doctoral Dissertation, Oregon State University, pp 93–96 (2002), Educational Resources Information Center No. ED464694. (reporting a comment from a community college faculty member, “Somebody’s decided where the students should be going and so that’s what’s being funded. Business and technology – Ed Tech – it’s huge. It’s a waste in my opinion. I don’t want unscrupulous technocrats running around. Frankly, what a horrible world to live in if students aren’t encouraged to think critically, if they don’t read critically. And we need more and more Liberal Arts Courses, not fewer.”)

47 “Most of the universities began from the first to specialize. It is perhaps more accurate to say that the schools out of which they grew had been specializing for a long time, and these interests merely developed further. In Paris there were four courses of study: the arts, canon law, medicine, and theology. … The universities of Salerno, Padua, and Montpellier specialized in Medicine. Bologna … was from the first a center for the study of law, especially Roman law. … The other very old university, Oxford, did not specialize; it favored general culture by means of an arts course rather than the concentration of any type. In general, however, the universities were specialized – that is, professional – schools. They had practical ends that served society and human needs.” Luella Cole, *A History of Education: Socrates to Montessori*, New York: Holt Rinehart and Winston (1950), p. 183.
higher education, “in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.”

Though those who express concern about the possibility that business may be influencing curricula acknowledge the vocational purposes advanced as public justification for investment in higher education, they worry, nonetheless, that, in the late twentieth century, circumstances have arisen that allow vocational goals to dominate the curriculum. Some question whether universities have responded to enrollment pressure by shifting resources to popular but ever narrowed training programs designed to meet the immediate staffing needs of business.

At least one critic finds cause for concern in the increasing reliance on corporate donations to support program priorities. Citing the closure of geography, linguistics and library science programs at Columbia University to illustrate his point, Aronowitz concluded that “given the waning ‘paradigm’ of government-university cooperation, and the specific demands of private firms, none of these commercially marginal fields can be expected to survive unless it has independent sources of funds.” The need to replace public funds with private monies, he argues, persuades faculty to “tailor the curriculum to the labor market and to the corporations that control it. They are surrendering larger portions of the curriculum to corporations, which, in return for faculty and administration collaboration, guarantee a steady flow of paying students. As the curriculum becomes defined by its commercial and

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48 7 U.S.C. § 304. The emphasis on the vocational aspects of education was not necessarily as narrow in its conception as Aronowitz suggests. Consider the following passages describing the goals of the university education that Thomas Jefferson set forth in his Report to the Commissioners of the University of Virginia:

To form the statesmen, legislators and judges, on whom public prosperity and individual happiness are so much to depend;

To expound the principles and structure of government, the laws which regulate the intercourse of nations, those formed municipally for our own government, and a sound spirit of legislation, which, banishing all arbitrary and unnecessary restraint on individual action, shall leave us free to do whatever does not violate the equal rights of another;

To harmonize and promote the interests of agriculture, manufactures and commerce, and by well informed views of political economy to give a free scope to the public industry;

To develop the reasoning faculties of our youth, enlarge their minds, cultivate their morals, and instill into them the precepts of virtue and order;

To enlighten them with mathematical and physical sciences, which advance the arts, and administer to the health, the subsistence, and comforts of human life;

And, generally, to form them to habits of reflection and correct action, rendering them examples of virtue to others, and of happiness within themselves.

These are the objects of that higher grade of education, the benefits and blessings of which the Legislature now propose to provide for the good and ornament of their country, the gratification and happiness of their fellow-citizens, of the parent especially, and his progeny, on which all his affections are concentrated.

Jefferson, Thomas, “Report to the Commissioners of the University of Virginia,” August 4, 1818 http://www.founding.com/library/lbody.cfm?id=132&parent=50 (visited January 18, 2002). This broader conception of the purposes of publicly funded universities was also inscribed in the Morrill Act, which describes a land grant institution as a “college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.”

49 Supra, Note 45.

50 Aronowitz, The Knowledge Factory, at 47.
industrial outcomes, some corporations get what they want – a narrowly trained workforce – but the students are less free to explore wider options.”

Aronowitz also recognizes that vocational interests reflect the concerns that prompt many students to enroll.

“From their friends and parents, they know how little a terminal high school diploma will buy. Yet they have little idea what they want to ‘study.’ In most cases their choices of major and minor fields are informed (no, dictated) by a rudimentary understanding of the nature of the job market rather than by intellectual curiosity, let alone intellectual passion.”

“Parents and students are responding, not only to media hype, which heralds the value of job-preparedness, or to the unmistakable evidence of corporate concern that education be articulated with the needs of the employer, but to their own observations and, indeed, their own experiences of corporate downsizing.”

Aronowitz believes that universities have responded to student expectations unwisely. Public systems, in particular, “are responding by transforming themselves into vocational and technical schools. Enrollments in business, accounting, education, engineering, and other technical areas, including media technology, have grown at the expense of the arts and sciences.”

“Despite apparent short-term gains for some universities and colleges," Aronowitz continues, "vocationalization is the wrong way to go." "Notwithstanding their anxiety about the future, students are ill-served by educational regimes that tailor their learning to a rapidly changing workplace whose technological shifts belie the assumptions driving many specialist curricula." It is difficult to see that the critics have made their case here. It cannot be contended that students of earlier times were moved to educate themselves only from a love of learning. It has always been the case that some students who sought an education were prompted by a desire to

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51 Id. at 112. Those who work with businesses and hear the concerns that they voice about graduates report a very different version of what businesses expect of university graduates. Narrow training is not a stated desideratum. Oblinger & Verville, What Business Wants from Higher Education, pp. 78-79 (whether in liberal arts or technical fields, graduates need to understand the relationship of their chosen disciplines and their work in the broader world; graduates must be helped to gain a broad view of the world, the context within which individual disciplines are practiced; universities must develop problem-solving skills of learners, providing them with opportunities to wrestle with problems of many types – mathematical, sociological, abstract, tangible, realistic and futuristic; core competencies, e.g., writing and speaking, teamwork, computer skills and problem solving, should be built into required courses across the disciplines).

52 Aronowitz, The Knowledge Factory at 10.

53 Id. at 142.

54 Id. at 55-56.

55 Id. at 161; See, also, supra, Note 46.

56 Id.

57 See, supra, note 30, detailing the origins of the Western university systems.
better themselves in the world. Consider the following excerpt from Plato’s Protagoras, in which Socrates explains why his young friend was anxious to learn from the noted sophist:

I must explain, I said, that my friend Hippocrates is a native Athenian; he is the son of Apollodorus, and of a great and prosperous house, and he is himself in natural ability quite a match for anybody of his own age. I believe that he aspires to political eminence; and this he thinks that conversation with you is most likely to procure for him.68

Hippocrates sought to educate himself, not for the sake of learning, but for the sake of securing tools that might help him gain political advantage. Nor is Hippocrates necessarily approaching education with unworthy motives. From antiquity, influential thinkers have emphasized the necessity of learning as a precondition to becoming an effective leader.59 Knowledge has not generally been viewed as an end in itself.

Plato and Tsze-hsia may have been most concerned with how to tutor those whose impulse was to exercise political influence, but they were, nonetheless, striving to find ways to equip youth to take their places in the world. Succeeding in politics unquestionably demands a more complicated education than learning how to balance accounts, but the goal is not less vocational because the office is higher. An interest in acquiring knowledge that may be useful to improving one’s lot in the world has such an ancient lineage that it cannot be dismissed as a wrong-headed contemporary notion created by commercial interests.60

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58 Plato, Protagoras 316 b-c
59 Cf. Plato, Republic 376b – 412b, 443e (Plato’s extended argument about justice emphasizes the education of the ruling elite to prepare them to govern and preserve the balance and harmony of the state as a whole); James Legge, Confucian Analects, Book IX, chapter 13, 344 (1971) (Tsze-hsia said, “The officer, having discharged all his duties, should devote his leisure to learning. The student, having completed his learning, should apply himself to be an officer.”) (emphasis in original).
60 It should also be noted that, from the onset of the Western universities, enrollment in professional disciplines have driven changes in support courses. When the twelfth century drew to a close, far-reaching changes in the curriculum [at Paris] had taken place. The liberal arts course had been streamlined to fit the needs of those who proceeded to the study of theology. In fact, liberal arts had become an “inferior faculty” preparatory to theology. Furthermore, the course had been changed to emphasize logic (which now included the “New Logic” of Aristotle) and philosophy in place of grammar and rhetoric and the reading of the classics. There was no doubt that the logicians had defeated the humanists. Such schools as Chartres and Oreléans, which continued the teaching of the classics, were on their way out. The training in letters seemed obsolete when all that the student needed was the rudiments of grammar, a routine vocabulary, and the rhetorical techniques of speculation and demonstration. Wieruszowski, The Medieval University, pp. 29-30

The predominance of law studies at Bologna had far-reaching consequences on the structure of the studium as a whole. First and foremost was the exclusion of theology from the studium at Bologna, and its confinement to the cathedral school and later to the studia of the mendicant orders. (Their doctors never established any connection with the studium as did the mendicants at Paris and Oxford.) Even the erection of a theological faculty in the fourteenth century “made little change in the academic system of Bologna.” Secondly, the liberal arts schools for which Bologna and other places had enjoyed a good reputation in the period before Irnerius and Gratian, were changed to meet the professional needs of law students. The reading of the authors was drastically reduced to what was absolutely indispensable. Grammar and rhetoric became detached from the sources that once had fed them and became the lower and higher branch, respectively, of what an American scholar, Louis J. Paetow, has called the business-course of the Italian schools. A training in elementary grammar was followed with a course in ars dictaminis (epistolary composition) which included the drafting of legal documents (later to become the independent “art of the notary”) and a kind of judicial rhetoric.

On the other hand Bologna’s studium was noticeably enriched by the addition later in the thirteenth century of a faculty of medicine which achieve a status high enough to be rated second only to the medical schools of Salerno and Montpellier. Though the practitioners trained there had a chance of accumulating riches comparable to those of the jurists – the two professions were styled “lucrative” by jealous masters of the lower income class – they never enjoyed the same social distinction. Only the jurists were
The specific claim that universities have in recent years transformed themselves into vocational and technical schools, as students abandon the traditional arts and sciences for business and other occupational studies, encounters another difficulty. The National Center for Education Statistics suggests a more complex pattern, one in which courses in the social sciences, at least, continue to hold their own:

Of the 1,238,000 bachelor's degrees conferred in 1999-2000, the largest numbers of degrees were conferred in the fields of business (258,000), social sciences (127,000), and education (108,000) (table 255). At the master's degree level, the largest fields were education (124,000) and business (112,000) (table 256). The largest fields at the doctor's degree level were education (6,800), engineering (5,400), biological and life sciences (4,900) and psychology (4,300) (table 257).61

Enrollments in business have grown to comprise the single largest group of students. Nevertheless, the social sciences continue to attract the second largest group of students, while enrollments in engineering slacken.

Longitudinal data suggest an even more complicated pattern. Consider the two tables that follow:

<table>
<thead>
<tr>
<th>Baccalaureate degrees granted in vocational fields and social sciences as percentages of total degrees awarded</th>
<th>1999-2000</th>
<th>1970-71</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business management and administrative services degrees</td>
<td>20.8%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Education degrees</td>
<td>8.7%</td>
<td>20.9%</td>
</tr>
<tr>
<td>Engineering</td>
<td>4.7%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Health professions and related sciences</td>
<td>6.3%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Psychology</td>
<td>5.98%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Social sciences and history</td>
<td>10.3%</td>
<td>18.5%</td>
</tr>
</tbody>
</table>

62

honored in the title *dominus*. A particularly Italian characteristic was the training given to the future physicians in Aristotelian logic and natural science and the inclusion in one guild (called in Italy *collegium*) of the joint masters of dialectic (arts) and medicine. *(For the faculties see Ch. 1 of the Statutes in Reading 5:D.)*

*Id.*, pp. 66-67.

While it is certainly right to be concerned with the quality of curricula that support the predominate professional curriculum of the day, it is not the case that the concern articulated by critics is unique to the ascendancy of business curricula.


### Baccalaureate degrees granted in communications, computer sciences and arts and sciences as percentages of total degrees awarded

<table>
<thead>
<tr>
<th>Field of Study</th>
<th>1999-2000</th>
<th>1970-71</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberal arts and sciences, general studies, and humanities</td>
<td>2.9%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Communications</td>
<td>4.5%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Computer and information sciences</td>
<td>2.9%</td>
<td>.3%</td>
</tr>
<tr>
<td>Biological sciences/life sciences</td>
<td>5.1%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Mathematics</td>
<td>0.97%</td>
<td>2.9%</td>
</tr>
<tr>
<td>English language and literature/letters</td>
<td>4.1%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Foreign languages and literatures</td>
<td>1.2%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Philosophy and religion</td>
<td>0.67%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Visual and performing arts</td>
<td>4.7%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Physical sciences and science technologies</td>
<td>1.5%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

While it is certainly true that there has been a shift of enrollment towards business, and a real and worrisome erosion of enrollments in mathematics and the hard sciences, the shift is far from a wholesale restructuring of the curriculum. Indeed, the shift away from education, a vocational discipline, was greater than the erosion of enrollments in the social sciences and history.

On the whole, the longitudinal data do not support the assertion that faculty “are surrendering larger portions of the curriculum to corporations,” which desire only narrowly prepared workers. Although it is true that today one out of five students wishes to study business, thirty years ago the same proportion of students wanted to teach. These data suggest

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63 Digest of Education Statistics 2001, Table 255.
64 Enrollments increased over the period 1970 to 2000 by 32.2%, from 839,730 to 1,237,875. Digest of Education Statistics 2001, Table 255.
65 The shift away from education would have had a secondary effect on enrollments in arts and science and social science disciplines. Education majors, especially at the secondary level, typically carry heavy loads in “content” areas. For example, students who desire to become mathematics, Spanish or history teachers carry substantial loads, if not majors, in mathematics, Spanish or history. National Council for Accreditation of Teacher Education., Summary Data on Teacher Effectiveness, Teacher Quality, and Teacher Qualifications, http://www.ncate.org/resources/factsheetq.htm (Visited January 29, 2002), provides the following data:

A survey of teacher preparation programs across the country (Feistritzer) confirms that 62 percent of these programs require a major or the equivalent of a major in the subject area of the license and 26 percent require at least a minor or the equivalent (1999). Individuals preparing to teach subject content are prepared in the content area. In addition, prospective teachers who teach specific subject matter take 70 to 80 percent of their college coursework in the arts and sciences.

Accordingly, it must be conceded that a review of data involving graduates by major tends to understate the extent to which enrollments in the traditional arts and sciences may have eroded since the seventies as a function of the reduced enrollments in education. Nevertheless, since some critics, e.g., Aronowitz, treat education as a vocational discipline, the concomitant migration away from arts and sciences cannot be construed to reflect a reduction in the number of students whose interest in the arts and sciences reflected educational interests that were not primarily vocational.
that students today are no more vocational minded than were their predecessors, though their vocational preferences may have shifted.

The thesis that business somehow brought about the shift of enrollments becomes all the more doubtful when enrollment trends for women are brought into the data mix.

<table>
<thead>
<tr>
<th>Bachelor degrees</th>
<th>Years</th>
<th>Men</th>
<th>Women</th>
<th>Percent change for men</th>
<th>Percent change for women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>1970-71</td>
<td>104,275</td>
<td>10,454</td>
<td>+ 15.1%</td>
<td>+ 1081.4%</td>
</tr>
<tr>
<td></td>
<td>1997-98</td>
<td>120,069</td>
<td>113,050</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>1970-71</td>
<td>44,896</td>
<td>131,411</td>
<td>- 41.4%</td>
<td>- 39.4%</td>
</tr>
<tr>
<td></td>
<td>1997-98</td>
<td>26,302</td>
<td>79,666</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
These data suggest that much of the shift that disturbs critics stems directly from the success of the social movement to expand the opportunities available to women, not from machinations by the business sector to secure students tutored in currently useful skills. The boom that has favored the business curriculum manifestly reflects the increasing enrollment in such programs by women. Far from marking the surrender of the curriculum to corporate interests, current enrollment patterns may reflect more accurately the mix of career preferences across the population than did the patterns manifest thirty years past when artificial constraints lay heavily on women.

Yet another factor likely influences these data: enrollments in degree programs with vocational emphases, such as business, education, computer science or health, tend to attract greater numbers of nontraditional students than courses in the social sciences, psychology or liberal arts, or mathematics or science-intensive disciplines such as engineering or life sciences.

<table>
<thead>
<tr>
<th>Field of study</th>
<th>Enrollment in undergraduate programs at 4-year institutions by age, as percentage of total undergraduate enrollment by field of study at such institutions during 1995-96</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Under 25</td>
</tr>
<tr>
<td>All disciplines</td>
<td>71.4%</td>
</tr>
<tr>
<td>Business</td>
<td>64.2%</td>
</tr>
<tr>
<td>Education</td>
<td>67%</td>
</tr>
<tr>
<td>Computer Science</td>
<td>62.4%</td>
</tr>
</tbody>
</table>

67 Only 9.1% of the students pursuing business degrees in 1970-71 were women. In 1997-98, 48.5% of the students graduated with business degrees were women. Id., Table 281.
68 Longitudinal data involving professional degrees in dentistry, medicine and law would be consistent with this thesis. In 1970-71, women comprised 1.1%, 9% and 7.1% of the respective graduating classes. Digest of Education Statistics 2000, Table 261. By 1997-98, the figures were 38.2%, 41.6% and 44.4%, respectively. It is quite possible that the enrollment shifts that have occurred were not caused by commercial interests insisting upon education tailored to their needs, but rather by a general relaxing of barriers, in commerce, government and nonprofit sectors, that discouraged women from pursuing studies that suited their true interests and aspirations.
Students who were within seven years of their high school graduation dominate enrollments in all fields, but especially in those involving the traditional arts and sciences disciplines. Yet one out of every three students enrolled in business, education or health courses, the disciplines with the greatest enrollments, is beyond the age traditionally associated with college enrollment. In the 1995-96 academic year, fifteen percent of the 2,519,000 students enrolled in those three fields of study, 377,850 students were age 35 or greater. Clearly, the high enrollments in vocational courses reflect not only the interests of women, but also the interests of persons who have returned to higher education later in their lives after having invested their energies in other endeavors.

The limited data sets such as those set forth above cannot yield any firm conclusions about the extent or source of curricular changes. Nevertheless, they do suggest that critics risk error when they fail to consider enrollment numbers in broader social contexts.

Even on its theoretical plane, the argument advanced by critics rings hollow. The natural tendency of institutions to develop programs that have adequate funding from outside sources and from tuition revenues will inevitably result in the emphasis on programs that address concerns of importance to those who are willing and able to finance the instruction. It is no accident that Confucius and Mencius taught lessons in the practices of sound government at a time when the Chinese nobility had begun to rely upon scholars to staff and implement administrations whose authority and loyalty did not depend upon kinship or feudal ties. Then, as today, the scholarly community provided the instruction desired by those who had the resources and motivation to seek instruction. Nor should it be considered an accident that the

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modern European universities emphasized curricula in law at the very time that the kings who began the work of building nation states sought to replace local baronial codes and usages with the kings’ law, turning often to university trained scholars for assistance in these tasks.71

The curricular trends that perturb the critics do not seem to reflect a peculiar malaise caused by business. Rather, they reflect the sort of reaction to circumstances that has always characterized education. Students will seek training that will prepare them to take their places in the world, and universities will provide training for the endeavors that are supported by those within society who look to universities to prepare students to take on the great tasks of their nations.

The apprehension critics voice about the growth of business-related academic programming involves a hasty generalization.

Some of those who express concern about the growing significance of business enrollment indulge in a curious characterization of business curricula. The critics assume that business studies embody a regimen of training that is to be juxtaposed with a true education. “Education is the process which focuses on intrinsic values … and training is the gaining of certain instrumental skills.”72 Given this characterization, critics worry, “What will happen out there, once those students with their job-ready skills come out into a world that’s changing? By the time they get out of their two-year or four-year diploma, the job’s changed and they’re not ready for the change.”73

Students are ill-served by educational regimes that tailor their learning to a rapidly changing workplace whose technological shifts belie the assumptions driving many specialist curricula. Ironically, the best preparation for the work of the future might be to cultivate knowledge of the broadest possible kind, to make learning a way of life that in the first place is pleasurable and then rigorously critical. For it is only when the learner loves literature, enjoys puzzling out the meaning of art works and those of philosophy, is intrigued by social and cultural theory, or becomes an indefatigable researcher that she acquires intellectual habits that are the precondition for further learning.74

72 Zmetana, “Reflections on Change,” 95.
73 Id.
74 Aronowitz, The Knowledge Factory at 161. It is unlikely, at minimum, that accomplished mathematicians or physicists would agree with Aronowitz that “it is only when the learner loves literature, enjoys puzzling out the meaning of art works and those of philosophy, is intrigued by social and cultural theory, or becomes an indefatigable researcher that she acquires intellectual habits that are the precondition for further learning.”
Critics assume that business curricula necessarily lack the content needed to cultivate the critical skills that educated people employ to overcome the limitations of their formal education. If critics’ assumption were to be correct, it would suggest that institutions compromise their essential missions by providing a faux learning that fails to prepare students to confront circumstances that will rise before them. Hence, the assertion warrants further examination.

The criticism lodged against business curricula embodies a genuine assumption and, indeed, begs the question whether the study of business cannot form the intellectual skills expected of university-educated people. It is far from clear why the study of business practices should be less suited to the formation of critical skills than is the study of history or political events. Plato’s argument for the ideal state pivots on his recognition that division of labor and resulting trade lie at the foundation of the most complex forms of human society. Indeed, if Marx and Engels were correct in the Communist Manifesto, an understanding of the intrinsic imperatives of capitalism is essential to comprehending the political structure of modern democracies. The United States relationship with China likewise assumes that capitalist business practices, as mediated through the World Trade Organization, at least, will play a critical role in transforming Chinese society and politics. The Western intellectual tradition so firmly embraces an appreciation for the connection between the dynamic aspects of business practices and other aspects of the human community that it is unreasonable to dismiss the study of commercial practice as mere training. Laboratory work in chemistry or physics and field biology and archeological dig protocols could as easily be dismissed as mere training.

learning.” The intellectual habits that are the precondition for further learning may well be shaped by disciplines, and there is no reason, a priori, to assume that the impulses that drive the curious mind to sample other disciplines arise in only one fashion.

75 See, e.g., Plato’s initial sketch of the state’s origin:

A State, I said, arises, as I conceive, out of the needs of mankind; no one is self-sufficing, but all of us have many wants. Can any other origin of a State be imagined? There can be no other. Then, as we have many wants, and many persons are needed to supply them, one takes a helper for one purpose and another for another; and when these partners and helpers are gathered together in one habitation the body of inhabitants is termed a State. True, he said. And they exchange with one another, and one gives, and another receives, under the idea that the exchange will be for their good. Very true. Plato, The Republic, lines 369b–c.

76 See, generally, Karl Marx and Frederick Engels, “Bourgeois and Proletarians,” Manifesto of the Communist Party, 1848 http://www.marxists.org/archive/marx/works/1848/communist-manifesto/ch01.htm (tracing the growth of capitalism, its role in transforming society and predicting the circumstances under which its oppression of working classes would bring about its demise).

77 “The power of market principles and the WTO’s requirements for transparency and accountability will advance openness and the rule of law in China to help establish basic protections for commerce and for citizens.” The National Security Strategy of the United States of America, September 2002, p. 28; Cf., Robert Wright, “Why China will get democracy too: Same Difference. (politics of trade), The New Republic, pp. 21 ff. (March 27, 2000) (examining, inter alia, how the economic circumstances of Early Modern Europe and China in the Sung and Ming dynasties influenced the course of political pluralism in the respective regions).
In 2001, 93.4% of all persons employed in the United States were employed by other persons, businesses or governmental or nonprofit agencies. These employees spent 232,808 million hours at work during 2001. These employees project market demands for olives, the tensile strength of bridges, the likelihood that a put on next year’s crop will save the farm, the number of people needed to staff a new community college. These employees herd cattle, place concrete, remove colostomy bags. These employees double-check to make sure that the rudder cables move freely, to be sure that the backup batteries work, to make sure that the numbers total. Some of these employees are punctual, others not. Some are punctilious, others not. Some are trustworthy, others not. Some will cooperate with their fellows, others will not. Some are competent; others are not. Some care; some do not. Some relish the exercise of power; some scheme to get it; some avoid it at every turn.

The human matrix involved in the workplace is as rich as that present anywhere else in society. The intellectual, social and moral skills and sensibilities needed to identify and resolve the problems that arise in coordinating the efforts of many and securing the confidence of strangers in order to grow, to manufacture or to transport the goods and to provide the services that hold communities together differ little from those that arise in the political forum. To suggest that the subject matter of business is somehow intrinsically less challenging than that of poetry or philosophy is frivolous.

In fairness to the critics, their objection could be understood to be that vocational programs in business have been poorly conceived and delivered. The critics could be suggesting...
that the programs offered to students provide mere training that fails to develop the critical intelligence that is said to be the hallmark of a liberally educated person. Two responses would appear appropriate to this iteration of the argument.

First, if indeed vocational academic programs demand little of students and fail to encourage critical thinking, critics ought to take the initiative to subject them to criticism, just as they would poor quality programs in any other discipline. Critics ought not transmogrify a warranted indictment of a particular program into a grand complaint against a whole field of study.

Second, critics ought to consider the leading accreditation standards in the discipline. Current and proposed business program accreditation standards of the Association to Advance Collegiate Schools of Business emphasize the very qualities that critics suggest are lacking in vocational curricula. Current AACSB accreditation standards for undergraduate programs anticipate requirements of “work in those academic areas necessary for an appropriate foundation of descriptive and analytical approaches to the study of communications, humanities, natural sciences, accounting, economics, behavioral sciences, and mathematics/statistics.”

Proposed new standards require that business curricula “provide an understanding of perspectives that form the context for business. Coverage should include: ethical and global issues, the influence of political, social, legal and regulatory, environmental and technological issues, and the impact of demographic diversity on organizations.” The standards fixed by the leading business accrediting

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82 Id., (Standard C.1.1); The proposed new AACSB accreditation standards set similar expectations:

15: Bachelor’s or undergraduate level degree: General knowledge and skills expected of undergraduate students. Adapting expectations to its mission and cultural circumstances, for each undergraduate degree program the school specifies, and demonstrates achievement of, learning goals for the general knowledge and skills that its students achieve, including:

- Communication abilities
- Ethical understanding and reasoning abilities
- Analytic skills
- Multicultural understanding
- Reflective thinking skills

[UNDERGRADUATE GENERAL EDUCATION GOALS]

16: Bachelor’s or undergraduate level degree: Management-specific knowledge and skills expected of undergraduate students. Normally, management-specific knowledge and skills will include learning in the following areas:

- Ethical responsibilities in organizations and society.
- Financial theories, analysis, reporting, and markets.
- Creation of value through the integrated production and distribution of goods and services.
- Group and individual dynamics in organizations.
- Domestic and global economic environments of organizations.
- Other management-specific knowledge and abilities as identified by the school.

Adapting expectations to its mission and cultural circumstances, for each undergraduate degree program the school specifies, and demonstrates achievement of, learning goals for the management-specific knowledge and skills that its students achieve.

body challenge colleges and universities to create programs that emphasize the interconnectedness of business practices with their social milieus and encourage business students to broaden their intellectual backgrounds before taking up the study of business. Thus, the most exacting standards recognized in the discipline embody the very sorts of expectations about the value of broad learning that the critics advocate.

It follows from these premises that the burgeoning enrollments in business and other vocational disciplines present no more a concern with the quality of learning than did the burgeoning enrollments in the vocational disciplines of theology and law that dominated and transformed the thirteenth century curricula at the Universities of Paris and Bologna. The study of business is as consistent with the purposes of the university as is the study of the received learned professions.

**Conclusion:** Doctor Faustus may have struck a good bargain this time around.

There can be no dispute about the fact that circumstances have presented sharp and persistent challenges to the fiscal integrity of institutions of higher education. It is only reasonable for institutions and their governing boards to re-examine practices that may affect the institution’s ability to fund the delivery of quality educational programs. The use of data analysis practices that have shown promise in the commercial sphere for such purposes, for instance, need be no more threatening than the adoption of the credit hour to track progress through the academic program. The introduction of e-business practices need be no more troubling than the disappearance of long registration lines in the auditorium once the registration portal becomes reality.

Business practices embody no managerial necromancy. Not all innovations prove their worth in business. Not all promising innovations should be expected to prove out in the academic setting.83 While it would certainly be unreasonable to expect that all business principles will prove serviceable in higher education, the possibility that some innovations will be implemented poorly or will produced unanticipated results cannot be grounds for ignoring the

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83 Notwithstanding the steady exuberance surrounding the introduction of Internet based educational programming, the growth of the market for such programs has not proven to be an unalloyed benefit. Karen W. Arrenson, "Columbia's Internet Concern Will Soon Go Out of Business," *New York Times*, January 7, 2003, Section B, Page 4, Column 5 (Robert Kasdin, senior executive vice president at Columbia, said the university is not abandoning efforts to combine technology and learning: "We want to see if we can really make a contribution doing a few more selective efforts. It's unclear what the market is."); Donald MacLeod, "e for East End," *The Guardian*, February 19, 2002, (http://education.guardian.co.uk/Print/0,3858,4358253,00.html) (The hard truth is that universities are going through their own version of the dot.com shakeout as over-optimistic visions of hordes of new students and new streams of income have given way to the realisation that providing e-learning courses is, in the words of a leading American expert, "bloody expensive to develop and develop well").
very real economic and ethical problems that confront the academy. The process of sorting through business practices that enhance the academy and those that diminish it is one that those who advocate the utility of the critically trained intellect should welcome.

The shifting enrollment patterns that enlarge the enrollments and faculties in applied disciplines will inevitably cause greater consternation among existing faculty members, just as it did to the medieval classicists and grammarians in Paris and Bologna.\(^8\) There is no escaping such consequences, for the patterns appear to reflect the real interests, or perhaps confusions, of the students. The task for the academy lies in finding ways to assure that the programs to which this generation of students flock present them with challenges as exacting as those presented by the disciplines that engaged their predecessors in earlier generations. Nor is there any reason why the academy cannot achieve the standards of earlier times.

Learning’s golden gifts take many forms. Few people, very few people, have ever mastered the multiple disciplines needed to savor them all. Many people have been able to profit from the tutelage of masters in this discipline or that and have been able to take those habits of thought and apply them wisely to different problems in new contexts. The shifting prominence of disciplines will not undo the bargain Doctor Faustus has struck to preserve the academy; it will not prevent the academy from achieving its essential purposes.

\(^{8}\) Or the even greater stress to the classicists and grammarians of Chartres and Orléans’ who stuck with their programs until their scola failed. Wieruszowski, *The Medieval University*, p. 29.