

US Public Universities in an Era of Continuing Austerity: More of the Same or Profound Change?

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The American public research university has been caught in a decades-long era of rising costs and declining public funding, ameliorated only by internal reallocations, a loss of tenured and tenure-track faculty positions, aggressive fund raising, and very high tuition increases. In light of all indicators that both state and federal funding will continue to be badly stressed (Grapevine 2012, Johnstone 2012), a central policy question for states, public systems, and universities themselves is whether public universities in the United States can continue to cope with ever-increasing revenue needs and declining state appropriations by continuing to cut faculty and staff positions, deferring maintenance, shifting ever more of the cost burden onto parents and students, and hoping that generous state appropriations will someday return? Or should some, most, or even all public universities close this worsening expense – revenue gap by what I will call *profound* alterations of the conventional university instructional paradigm? This paper is an exploration of some of the possibilities, consequences, and overall likelihood of some of the most commonly advanced of such profound changes.

Changes that would close these diverging trajectories of ever-increasing revenue needs and declining state appropriations on the expense side tend to be of three kinds:

1. increasing the instructional loads—and thus the supposed productivity—of at least some faculty;
2. significantly reducing non-instructional, or what are commonly thought of as administrative, expenditures; or
3. changing the way knowledge is conveyed and students learn so that learning requires less instructional expense.

Increasing the instructional loads of at least some faculty

The traditional research university workload paradigm for most regular academic staff (that is, tenured and tenure-eligible faculty) consists of teaching two or sometimes only one class per 15 week teaching semester, for two semesters a year—in addition to mentoring Ph.D. and sometimes post-doctoral students, serving on university and sometimes on external scholarly committees, serving the larger academic profession by reviewing grants and manuscripts, doing their own research, and keeping up with their scholarly fields. The mix and productivity of these elements, however, is left mainly to the individual faculty member to decide for himself or herself. The result—albeit varying by individual universities and by departments within universities—can be very uneven workloads, with some faculty teaching only very small classes, mentoring few graduate students, performing little service to the university or the profession, and producing little

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significant research—and all of this with little consideration for the instructional and financial needs of the university or the department.

In most states, several decades of declining real, or inflation-adjusted, appropriations to public colleges and universities, the likely continuation of health care, pensions, debt service, and other mandatory expenditures crowding out annual state discretionary spending, and increasing limits on the ability of states and institutions to shift more and more of the increasing costs onto parents and students are compelling states and state systems of higher education to consider ways to roll back the costly instructional paradigm of at least some colleges and universities. While it would be unnecessary, inappropriate, and educationally destructive to attempt literally to change a less distinctive research university into a comprehensive college, it should be possible in most states to decertify manifestly low-performing and/or redundant Ph.D. programs (as some states and state systems and individual universities have already done). It may also be possible to adjust the states' or the state higher education systems' appropriation formulas to increase rewards for successful undergraduate instruction and raise the scholarly standards for the high level of state revenues needed to support the low teaching loads and other expenses of a research-oriented instructional paradigm. This might encourage, although not mandate, the less research-productive departments, faculties, and even entire institutions to move in the direction of the more teaching-oriented (and less costly) institutions.¹ With such a change, the very low teaching loads and high research expectations—along with the commensurately high costs of this faculty time, in addition to the extensive and expensive academic support in the forms of graduate assistants, technicians, and the like—could, in theory, be reserved to fewer, rather than ever more, public institutions. Such a step would suggest that the United States can no longer afford hundreds of public research universities, all supported by increasingly fragile state taxes and tuition fees, and all attempting to conform to the traditional research university scholarly reward system and instructional paradigm.

To the same end of increasing the instructional productivity of some university faculty, a more appropriate and feasible change might be a greater differentiation not so much of institutions, but of the faculty workload expectations within public research universities. By fairly and sensitively differentiating the workload expectations of research university faculty, some might be expected to be productive in their research and be given the time away from teaching to maximize this output (as well as the continued mentoring of Ph.D.s and post-docs). Others might be expected mainly to teach and given heavier teaching loads—but commensurately released from the expectation to continually produce significant research. In time, some faculty could be hired, promoted, and well rewarded for teaching the three and four course loads that many universities used to feature, and other faculty would be promoted, and rewarded to produce the highest quality scholarship, year after year, with minimal classroom teaching expectations.

¹ In a poll of college and university chief financial officers conducted by Moody's and the *Chronicle of higher Education* (and before the continuing dismal economic news of 2012), the most favored strategy to cope with the worsening austerity by far was to increase faculty teaching loads. (And this included two- and four-year colleges where teaching loads are already nearly double those of research universities.)

Such a change would be heavily contested by the academic staff, who would view such differentiation as opening the door to increasing all faculty workloads, infringing on academic freedom, and altering fundamentally the nature of the profession that they have worked so hard to enter. And the systematic differentiation of workload expectations carries the seeds of seriously weakening the quite appropriate scholarly expectations of all research university faculty (indeed, of faculty in virtually all kinds of colleges and universities). Furthermore, such a practice can be construed as making the teaching of an additional class or two a penalty for what a department chair, dean or even a faculty committee might consider insufficiently scholarly research. At the same time, if the underfunding of public research universities is to continue, and if the shift of costs from state governments to parents and students is to level off, then solutions to the worsening university austerity must be found mainly on the expenditure side. And if the shift from regular (i.e. tenured and tenure track) faculty to part-time, adjunct, and other decidedly irregular faculty has an upper limit, then some increase in some regular faculty teaching loads is undisputedly a way that may be better for the student.

Significantly reducing non-instructional administrative expenditures

Faculty (and probably most students, politicians, and the general public) would prefer to reduce and re-balance university expenditures by reducing administration (although *administration* can mean very different things to different parties). There is no question but that administrative costs have risen sharply relative to strictly instructional expenditures, making profound changes—that is, *reductions*—in administrative costs a very tempting target to solve the financial problems of public research universities. Such expenditures, however, include a number of greatly differing institutional activities, all of which will have their defenders, and some of which may be difficult if not impossible to cut—or if cut, may carry a commensurate (and self-defeating) loss of revenue or loss of quality. For example, the cost to recruit and matriculate a class of sufficient size and academic stature (which is desired by the faculty) is expensive, and the competition for academically able undergraduates is intensifying. The cost of fundraising has risen greatly in all US public colleges and universities. Yet it takes money to raise money, and philanthropy is becoming increasingly important to supplement insufficient state support and to lessen the reliance on continually surging tuition fees. Greater fund-raising efficiency might well be possible, but budget cuts to university development offices are probably self-defeating and unlikely². Similarly, the costs of information technology has risen dramatically; yet it would be extremely difficult to undo the high and continuously rising expenditures on academic and administrative computing, including the provision of computing labs, technical assistance to faculty and students alike, and the kind of high-speed computing necessary to remain competitive in scientific, engineering, and bio-medical research.

University business and accounting offices have increased staff and expenditures in recent years. Yet federal and state governments and university governing boards have become much more insistent upon financial accountability, which is expensive. Financial

^{2 2} Many public colleges and universities segregate their fundraising costs and revenues (including the ownership of assets and investments) in separate publically associated, but privately incorporated, foundations so that the costs associated with fund raising do not directly and publically impact the university operating budgets.

penalties for improper use of government funds or for scientific misconduct are also heavy. So too are the costs of insurance against lawsuits in litigious America, where the injury or death of a student, a medical malpractice suit against the university hospital, or a charge of employment discrimination can cost millions of dollars. And either way—the cost of avoidance or the cost of the risk—ultimately impact instructional budgets.

Intercollegiate athletics is a favorite target of those who perceive wasteful non-academic expenditures—and thus of those who would solve the financial austerity on the expenditure side without cuts to the instructional programs. *Big time*, or *want-to-be-big-time*, intercollegiate athletics is enormously expensive. A very few teams of a very few universities actually bring net revenue to their universities as most of the profits from football and basketball, if there be any, are simply spent on other teams that do not bring in revenue. Supporters of intercollegiate athletics will claim that the return—some of it financial—to intercollegiate athletics, at least to the successful universities, lies in the enhanced alumni support, general public relations, and attraction to potential students. But the combination of increasing financial austerity of the universities, the very great expense of intercollegiate athletics, plus the instances of corruption and athletic malfeasance that continue, suggest that a slowing or reduction of athletic expenditures in most US public research universities is nearly inevitable, although the loss of alumni and general community support may negate some of the financial gains. And just as increases in faculty teaching loads or student recruiting budgets would be at least somewhat acceptable if they were imposed on all colleges and universities so that no single institution would lose relative standing, very large reductions in intercollegiate athletics budgets would also be possible if imposed on all universities (or at least on all universities in the same athletic conference). But in both cases, the absence of a single governmental ministry to impose such profound solutions on all institutions of higher education such that none would be singularly advantaged is the reason that no single institution, and probably no single higher educational system, will be the first to make such dramatic cuts.

The administrative expenditures that remain candidates for significant reduction, then, are largely associated with public relations, human resources, intercollegiate athletics, and student services, including the costs of student activities, recreation, career services, and the like. But much of the low-hanging fruit of excessive administration has already, in most public research universities, been cut, and more cuts will undoubtedly be made. Whether the conceivable additional cuts can properly be termed *profound*, or even *restructuring*, is less clear.

Changing the way knowledge is conveyed and students learn

In the traditional university instructional paradigm, undergraduate students are instructed mainly in classes meeting twice, and occasionally three times a week (but rarely for undergraduates in the late afternoons, or on Fridays, and never on Saturdays) for two 15 week semesters a year, with a great deal of free, or non-learning, time, at least for undergraduates, in the academic day, week, and year. In this paradigm, students accumulate *credits* that can, at some point—theoretically after four years, but frequently (and increasingly) after five, six, or seven years—be turned in for a degree.

One way to increase the productivity of learning, then, is to reduce excessive course taking and bring the time-to-degree back to a normative four years. But universities in search of a truly profound cost-saving change in the instructional paradigm might go far beyond this goal and seek ways for most undergraduates to earn a bachelor's degree in three years—like most students in the UK and more and more in Continental Europe. This might be accomplished with a combination of a slight alteration of required credits for the bachelor's degree, better advising and counselling for the incoming student, more Advanced Placement and International Baccalaureate credits carried to the university from the secondary schools, more use of (and possible a requirement of) year-round calendars, and less tolerance for the repetition, unnecessary part-time study, and aimless curricular wandering about that is altogether too common among American undergraduates.

A considerably more dramatic alteration of the traditional instructional paradigm would be to move from the current paradigm, in which time, or the duration of the course module, is the constant (e.g. 14 or so weeks for a three credit course) and the amount of learning (and the grade) is allowed to vary by student. Instead, colleges and universities could set the content to be learned as the constant, and allow the duration of study to vary. In such model, the bright and diligent might learn the prescribed content quickly, and those less bright or less diligent or more distracted would presumably take longer. But all would learn essentially the same content. And when that content was mastered to a sufficient level the student would move on to the next module of learning. Such an instructional paradigm is built on self-paced learning, which has become dramatically more feasible with the advent of accessible and affordable e-learning. The recent onslaught of Massive Open On-line Courses, or MOOCs, hold out the promise of hundreds of thousands and even millions of students throughout the world having very low-cost access to the best teaching professors in the world—needing only an institution of some kind to credibly attest to the actual learning and to grant the degree (The chronicle of Higher Education, 2012). Thus, some substantial portion of what we think of as the undergraduate curriculum of our research universities (both public and private) could as well be taught and learned on-line—whether from the university's own faculty, or faculty from anywhere in the world who are capable of teaching. The undergraduate faculty of the research university, then, might be responsible for stipulating what is to be learned, suggesting where to find the instruction, assessing the learning, and assisting individual students when needed—but no longer having the primary responsibility for the teaching, at least not in the traditional instructional paradigm.

Finally, if such a radically new undergraduate instructional paradigm should require a far more academically prepared and motivated student, a related and also controversial change would be to limit undergraduate enrollments in public research universities to the academically prepared and motivated that can best learn in these accelerated ways. For university systems, this might mean diverting more beginning undergraduates to comprehensive colleges and community colleges where they could be similarly immersed in new instructional modalities, but would also receive more assistance in the learning process, and retain more traditional courses and access to their teachers. Public research universities, then, might become far more open to upper division transfers, and commensurately less accommodating to the academically less prepared and less motivated freshman. A problem this scenario is that it could diminish the pressure on

public research universities to advance equity and to work to diminish the intergenerational transmission of academic interest, ambition, and preparedness.

Conclusion: The Prospect of Profound Change in the US Public Research University

For all the financial austerity that has impacted, and will likely continue to impact, public higher education generally and public research universities especially, the likelihood of public research universities or public university systems turning to these kinds of profound changes remains uncertain. This conclusion may disappoint the reader looking for a definitive answer—or at least for a more aggressive defense of the public research university as worthy of much more generous public funding. But we are not alone. Throughout the rich, industrialized world, public colleges and universities are experiencing the same kind of worsening financial austerity brought on by the higher education's surging costs and revenue needs and political and practical limitations on the likely sources for these needed revenues. It is also quite clear that there are at least conceivable solutions to this worsening austerity that would retain most of the traditional instructional paradigms and avoid drastic, disruptive, *profound* changes in the ways that faculty have traditionally taught or that students have traditionally learned. But most solutions, whether profound or more-of-the-same, and whether on the expense or the revenue sides, face significant organizational, legal, and political obstacles. For example:

Federal solutions: The long run fiscal condition of public higher education could theoretically be eased by the federal government not funding public colleges and universities directly, or even by funding more generously financial assistance to students, but by relieving the states from some of the fiscally unsustainable future financial obligations to pensions and health care—which in turn could eventually solve much of the state's financial problems and improve the likelihood of stable university funding. However, the worsening (2013) political paralysis in the United States over taxation and the surging long run costs of health care, Social Security, and pensions makes such a solution unlikely, at least in the immediate future—and, of course, there is no guarantee that public higher education, much less public research universities, would benefit.

Major reductions in the budgets of intercollegiate athletics, public relations, mid-level administrators, and so-called merit scholarships: As noted above, these kinds of expenditures are fuelled and maintained by the highly competitive nature of research universities, including the competition for top faculty and for the most academically able students and the reluctance of any single university or system to be the first to seek major savings in these areas.

Reductions in the costs of student living: Public colleges and universities could theoretically ease the burden of what might have to be even higher tuition fees with significant reductions in the cost of institutionally-provided food, lodging, and other services to reduce the overall expense of a year's worth of university education. However, very many students at public research universities are already living at home or living off-campus at lower costs. And many students and their families are demanding ever more lavish and expensive lodging and food even as they complain about the rising cost of colleges and universities. Again, the highly competitive nature of selective colleges and universities, public and private, lessens the incentive for public research

universities to significantly lower the perceived quality of their food and lodging and other institutionally-provided elements of student life apart from the classroom.

Reversing so-called mission creep: States and state higher education systems could—again in theory—more strongly resist, and even begin to reverse, the transformation of public colleges and universities that once featured excellent and cost-effective teaching institutions into aspiring research universities for which neither their faculty nor their students may be ready—and for which there may be little need. However, such a policy will be opposed by institutions (and their faculty, students, and alumni as well as by their local politicians) who, understandably if unfortunately, associate institutional status with an orientation to research and scholarly reputation.

Reducing the high cost of research university faculty: States and state higher education systems might attempt to raise the research productivity standards for the very costly low teaching loads currently granted to virtually all research university faculty and allow differential workload expectations. As mentioned above, however, the resistance from university faculty would be fierce, and the actual savings might be minimal.

Moving toward three-year bachelor's degrees: The improvement in public college and university finances from the three-year bachelor's degree could theoretically be two-fold. First, the overall number of instructional credit hours would presumably drop and require fewer faculty and staff for the same number of admitted students. Second, a three-year degree would allow alternative tuition pricing policies and might allow higher annual tuition fees without necessarily costing more to the student and family. However, the steady increase in the number of college-level credits earned in high school via Advanced Placement and the International baccalaureate has yet to yield large numbers of American undergraduates finishing in three years. Nor have the opportunities that have long existed for year-round study. So the three-year bachelor's degree remains an intriguing possibility. But even today, employers and graduate schools complain about the insufficient learning of the current four-year bachelor's degrees, and any move by state governments or systems to mandate three-year bachelor's degrees would almost certainly be assailed as reducing quality. And again, the fiercely competitive nature of US higher education, the quest for the most academically able undergraduates, and the fact that so few students have been pressing for faster completion of their undergraduate degrees or earlier entry into the job market suggest that public universities and state systems will be hesitant to mandate the three-year bachelor's degree.

Salvation on the revenue side by greatly increased private philanthropy: Public universities in The United States have greatly increased their revenue from philanthropy and will undoubtedly continue to do so. The National Institute for Education Statistics (2012) reported philanthropic gifts to public four-year colleges and universities in 2008-09 totalling nearly \$216.5 billion (not counting returns taken in that fiscal year from endowments), which was about 2.6 percent of all revenue from all sources. Public research universities were the principal recipients. But even among research universities, the amounts per university are uneven. Much of the charitable revenue is restricted to such university activities and departments as scholarships, hospitals, intercollegiate athletics, and capital projects: in short, an important source of supplemental revenue for some universities and some recipient offices, but not a major source of revenue for the core instructional budgets. Furthermore, most donors like to give to make a positive

difference, such as for a new building or scholarships that will attract better students; donors are less likely to give simply to “fill in” for diminishing state revenues.

Thus, the financial austerity that is plaguing universities in the United States and in many other countries is likely to continue. And the truly propound changes in the traditional research university instructional paradigm—such as the *university of the future*, where all instruction is via open access e-learning, and the physical campus becomes less and less important—while theoretically feasible and likely to be manifested in a few private universities, are not likely to replace the more familiar, if somewhat poorer, universities we have come to know, at least in the United States.

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