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DEMOCRATIC VS. CORPORATE GOVERNANCE

David Brodsky

In a recently published collection of essays by various hands, entitled *Campus Inc.*, Michael Parenti reminds his readers that the private university is a chartered corporation, ruled "by a self-appointed, self-perpetuating board of trustees composed overwhelmingly of affluent and conservative businesspeople." The class composition of public university governing boards is similar. "At no time during their tenure as trustees," Parenti continues, "are they troubled by anything that might be called democracy."¹

Corporate governance is now a universal feature of American higher education. It is capable of destroying educational quality and standards; the existence of entire professional disciplines; the faculty's responsibility to serve the best interests of their profession, their students, and the public; and academic freedom.

One of numerous examples of administrative indifference to the idea of democracy is the recent decision by the University of Missouri Board of Curators to adopt the principle of post-tenure review. The Board of Curators took its action despite the solid opposition of the faculty at UM Columbia, who defeated the proposal decisively in two separate votes. Faculty at UMKC, meanwhile, were denied the opportunity of voting, and thus expressing their views, on this issue. Ignoring public opinion or suppressing it altogether has nothing in common with the practice of democracy.

The issue of post-tenure review is neither technical nor trivial. It strikes at the very heart of higher education. Post-tenure review belongs to the arsenal of administrative weapons intended to weaken and abolish tenure. Tenure protects faculty freedom of expression, which is both a necessity and an obligation of their profession. Faculty working conditions are student learning conditions. Abused and intimidated faculty cannot be as effective as those treated like professionals. Without academic freedom faculty are prevented from fulfilling their public mandate. If faculty can't teach and research as they see fit, according to the rigorous standards of their profession and their mandate to educate the next generation, students are cheated of the quality educational experience their tuition, fees, and taxes pay for.

Academic freedom pertains to everyone in academia, not just faculty. In fact, it covers everyone in the US, since it derives from First Amendment rights and was affirmed as such by the Supreme Court in 1967. In higher education academic freedom includes such things as the teaching and exercise of critical thinking; faculty control of and responsibility for the curriculum, pedagogy, and the direction of research; free speech and inquiry—in the classroom, in research, on the job, and as citizen activists; job security, benefits, and working conditions; and due process in decision-making.

Tenure, or job security, is the main guarantee of academic freedom in education. Job security and first amendment rights on the job are essential components in democratic governance. In the past, American university and college decision-making was based on the principles of collegiality and shared governance,

which assumed a community of interest among all the members of an educational institution. AAUP guidelines on shared governance were issued in 1966 and adopted by the AAUP, American Council on Education, and the Association of Governing Boards of Universities and Colleges. They recommend shared responsibility and joint planning by students, faculty, administrators, and the governing board.

The operative principle of shared governance is delegation of responsibility. The university administration, according to AAUP guidelines, should "concur with the faculty judgment" in all "matters where the faculty has primary responsibility." The faculty has "primary responsibility" and "primary authority" for decisions that bear directly or indirectly on "curriculum, subject matter and methods of instruction, research, faculty status, and those aspects of life which relate to the educational process."² Faculty likewise are entitled to participate significantly in total institutional budgeting and allocation of funds.

A national conference last year co-sponsored by the AAUP and the American Conference of Academic Deans reaffirmed the principles of shared governance. Participants committed themselves to working out viable models of shared governance based on academic, rather than corporate, values. Speakers at the final plenary session emphasized the unsuitability of a corporate governance model to institutions of higher education. One speaker concluded: "Applying corporate models to universities undermines quality by substituting quantifiable, business-driven measures for the judgments of faculty who have the expertise to make sound decisions for higher education."³

The system of shared governance was relatively successful because administrators used to come from the ranks of the faculty and returned to those ranks when their terms of service were over. In addition, boards of trustees, upper administrators, and even deans did not make a habit of micro-managing the everyday affairs of the university. Instead they typically followed faculty advice, as AAUP guidelines recommended.

However, in the past several decades a new class or caste of academic managers has emerged. Seldom recruited from tenured teaching faculty in the same institution, and rarely returning to teaching and research, they are typically selected by outsourced head-hunting agencies—at a very high price to the institution, and therefore to taxpayers—from a pool consisting primarily of career managers. Once managers or manager candidates are chosen independent of the involvement of the academic community, they arbitrarily claim a mandate to make policy. The faculty are then expected to reliably carry out orders transmitted down the corporate chain of command.

Academic CEOs receive astronomical compensation, often supplemented by fat fees for serving on corporate boards.⁴ Even mid-level academic managers, aside from inflated salaries two to four times greater than the highest paid faculty,⁵ frequently derive personal financial benefits from outside corporate contracts they negotiate and impose on their institutions.

In academic institutions taken over by the nomadic managerial hordes—particularly in public institutions with a legal mandate to serve the people—collegiality and shared governance have bitten the dust. Administrators have adopted an extreme adversarial position, tearing to shreds and throwing in the trash any semblance of a social contract.

The corporation is about as undemocratic a form of governance as has ever been invented. It resembles a dictatorship, whether autocratic or oligarchical. In a corporation there is no democratic process—except perhaps for those at the highest level. On the job the majority of corporate employees are excluded in practice from the right to vote on institutional policy, free speech on the job, the rights to organize and bargain collectively, a free press voicing their interests and dissenting from dictated policy, and free

assembly, due process, and fair grievance procedures. Token gestures—for example, administratively controlled ad hoc planning committees with selective input from a limited number of affected people—are co-optation techniques meant to project democratic images without changing autocratic substance.

The broader context of the corporate agenda is its goal of eliminating the public domain, which benefits the vast majority of people, and to "privatize" (steal) public institutions, property, assets, services and natural resources. One way this is done is by reducing or eliminating public funding, and thus universal public access and democratic oversight. Reduced public funding forces educational institutions to take the bait of corporate donations. Once hooked, schools and universities become tasty snacks at power lunches.

The corporate takeover targets education for the majority of the people. As in the health care field, the goal is to establish a two-tiered system, one for the rich and the other for the rest. Elite students will get a semblance of a decent education, preparing them to occupy positions of power and influence, and elite faculty will generally continue to be treated like valued professionals. The majority of students, however, will get substandard vocational training for routinized dead end jobs. Their jobs will resemble those in the academic sweatshop, which is staffed by a decisive majority of their teachers, who are graduate students and contingent labor. Increasingly the academic sweatshop will swallow up probationary faculty and even tenured faculty, who will be replaced with contingent labor. Distance learning, where institutions, rather than faculty, own the curriculum, threatens to reduce full-time faculty immediately to adjuncts doing overtime for low pay and no benefits.

The corporate takeover has both economic and political aims. The economic one is familiar, to increase short-term profit by drastically reducing labor costs, and, in the case of virtual education, by eliminating the campus with its entire physical plant. The political goal is monopolistic control of labor and of public opinion. The mega-corporations want to subjugate the professions, like health care⁶, journalism, or education, in order to destroy professional independence and self-government, the standards of performance and service which they have developed over centuries, and the very reason for their existence, which is to promote knowledge and skill serving the general welfare. Thus the professions are being proletarianized.

Like journalism, which has already been eviscerated by the media oligopoly,⁷ education is specially targeted in order to assure corporate ideological control. Corporations want ideological dominion over the curriculum, methods of instruction, research, fields of study and the directions in which they develop, and even the campus environment, which they deface with corporate logos, trademarks, and outsourced monopoly franchises and concessions, many of which profit by sweatshop labor. Monopolistic management of public opinion, through the mass media and educational institutions, is obligatory for corporations to maintain their power and to deter challenges from democracy.

Democracy not only is about process but also concerns outcomes. Examples of democratic outcomes are equality, justice, social solidarity, universal abundance, a strong and healthy public domain, protection of the biosphere, universal human rights—political, social, and economic—and fair access to and distribution of products, services, and resources. Universal education is a democratic outcome guaranteed by the UN Universal Declaration of Human Rights and subsequent conventions and covenants.

Needless to say, corporate governance opposes democratic outcomes. The anti-democratic bias of corporations derives from their structure, which assumes the shape of a pyramidal hierarchy. The privileging of those at the top directly depends on the decreasing privileges and increasing abuse and exploitation of those at lower ranks.

Democratic outcomes, by contrast, preclude the existence of elites or concentrations of wealth and privilege. In democratic higher education distinctions in rank are professional ones, based on knowledge and accomplishments. All members of the community have a voice and a vote on matters of interest to them. This is a basic democratic principle: decision-making power resides in all individuals affected by a decision. Since my specialty is Slavic culture, I was pleased to find a slogan from old Polish history (16th and 17th centuries) that expresses this basic principle of democracy: "nothing about us without us (nic o nas bez nas)." In 16th century Poland it applied to at most 8% of the population. In today's conception of democracy, it applies to everyone.

The fightback against the corporate takeover depends on democratic organizing, which is happening nationwide. Outstanding examples of effective activism (two of many) are provided by the California Faculty Association (CFA) and California Part-Time Faculty Association (CPFA). In 1999 the CFA held a series of public hearings across the state to determine a non-corporate future for public higher education. In 1997 they and other faculty, student, and community organizations organized successfully with a six-week deadline to prevent the takeover of the entire 23 campus California State University system by four corporate giants: Microsoft, Fujitsu, GTE, and Hughes Electronics. The CPFA is organizing 30,000 part-time faculty across the state, and earlier this year hosted the fourth national Conference on Contingent Academic Labor, whose members are beginning to win collective bargaining units for part-time faculty. Unionization of graduate teaching assistants continues to grow. Nationally, the AAUP and the Newspaper Guild/Communication Workers of America have begun working together to identify common threats to academic and press freedom. And the student movement which arose around the issue of campus products made in third world sweatshops has expanded its horizons to global corporatism.

If the anti-corporate movement sticks together, expands, stands firm, and intervenes early and often, it has a good chance to change the course of events. Grass-roots democratic organizing and activism is one of the best ways to learn, teach, and develop the institutions of democratic education.

NOTES

¹ Geoffrey D. White and Flannery C. Hauck, eds., *Campus, Inc.: Corporate Power in the Ivory Tower* (Amherst, NY: Prometheus Books, 2000), pp. 85-6.

² *American Association of University Professors Policy Documents and Reports* (Washington, D.C.: AAUP, 1995), pp. 179-185.

³ "Governance Conference Brings Together Faculty and Administrators" *ASC Statelines* 7.4. (Winter 2000).

⁴ Kevin Kniffin. "University-Industry Study: A Work in Progress," *Multinational Monitor* online: www.essential.org/monitor/hyper/mml197.db.html

⁵ For example, public records in the states of Missouri and Kansas show that the Dean of the College of Arts and Sciences at UMKC had a salary of about \$160,000 in 1999. The salary of the Dean of the University of Kansas Medical School in 2000 was \$270,000

⁶ A good recent study is: David Himmelstein, Steffie Woolhandler, and Ida Hellander, *Bleeding the Patient: the Consequences of Corporate Health Care* (Monroe, ME: Common Courage P, 2001).

⁷ See, for example, Robert W. McChesney. *Rich Media, Poor Democracy: Communications Politics in Dubious Times* (New York: New Press, 2000).

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