

[Prepared for Melbourne Writers' Festival, 26 August 2004]

'Universities Challenged' – Simon Marginson, Monash University

What is the University and where is it going? The University is many things to many people. In *The uses of the University*, which is (perhaps unfortunately) still the most insightful book about the University as an institution ('unfortunate', because it was published 41 years ago!), Clark Kerr, the President of the University of California, called it 'The Multiversity'. Anticipating post-modernism, Kerr said that the University could not be reduced to a single purpose. The fountain of science, the home of scholarship, the producer of cultural artifacts. An engine of national economic growth, and of local and regional development. The provider of opportunity, the source of equality. A primary medium of modernization, the home of the international and the global. The diversity of disciplines mirrors this flowering of heterogeneous purposes. Maybe. But a concerted attempt has been made, by neo-liberal governments, and perhaps by some University leaders, to reduce the University to something simpler, and in grounding its research and scholarship as more predictable, render its executive more secure. The University has been modeled as a business conglomerate, with customers, and the seller of utilities. Its products are degrees converted to economic rewards and social status, and knowledge morphed into saleable 'intellectual property'. The bottom line of this kind of University is not the cultural formation of young people, or equal social opportunity, or even the global ambition of Australia. It is the revenues and prestige of the University *as an end in itself*, regardless of its product, or the social, intellectual and moral purposes it serves, like a business firm. In this kind of thinking, it doesn't matter whether the University educates students from Springvale, or South Yarra or Singapore, as long as their credit cards have a large limit. It doesn't matter whether the University fosters intellectual freedom, or whether it has an Arts Faculty, or a Physics and Philosophy Department (and most Australian universities now have neither) or whether it produces not wisdom but widgets, as long as it is bigger and richer, its fee income is up, its glass towers are higher, and it writes ever more research papers. A University where 'excellence' is a marketing pitch, and the sign of homogenous quantity over quality. What about the larger purposes of the University: of science, of culture, of personal growth and social equality? Why that's no problem, say the market economist and the executive. The invisible hand will take care of that. Students demanding value for money will drive the quality of teaching up. Universities pursuing their own interest, competing to do each other down, will drive up the curve of public good as well. Government, and pontificating scholars, only get in the way.

This is not to say everyone agrees with the 'University-as-business firm', or that it holds all of Kerr's multiversity within it. But the complex variety of the Multiversity is under pressure. The public funding crucial to its independence and originality, that created time to think, and allowed equality to be fostered, in funds per student is at *40 per cent* of the 1980 level. The users of independent schools, and companies that want saleable products, now buy too much influence. The new private income is largely absorbed in the commercial costs of raising that income, in marketing and quality assurance and managing assets, not in teaching and research. With higher education reconfigured as a competitive market, the top few universities survive, the rest, including once real innovators, struggle. The Multiversity was vectored by three elements: government focused on long-term public good, independent academic disciplines, and a modernizing management. The three elements were in some tension, but they all needed each other and knew it. Now government has vacated the big policy issues to the invisible hand, academic freedom is remade into something smaller and meaner, and executive management just gets bigger. Consider the late fashion in Global 'E-learning', virtual universities. In the late 1990s Peter Drucker said that within 30 years face-to-face universities would be replaced by e-learning. Students would want 'click' not 'brick'. All over the world dot.coms and Ivy League universities rushed into e-learning ventures, many backed by governments. New York U Online. Cardean University based on the business schools of Stanford, Chicago and LSE. The UKe-U, with £62 million from the Blair government. And of course our own Universitas21 Global with \$40 million in start-up capital. Money was poured into web-development and marketing. University of Melbourne Vice-Chancellor Alan Gilbert said that global e-learning, click not brick, would be the *main* provider to unmet demand for higher education around the world. There was just one problem. Students, whether in China or Australia, didn't want to buy it. Online degrees had no status, and had no people. One after another the e-learning ventures came crashing down. NYU Online recruited just 166 students before it closed in 2001 (which should have warned everyone); the UKe-U enrolled 900 in four years before it closed in 2004; Universitas, which started in 2001 with \$40 million, has only about 300 students today. Across the main ventures, each e-learning enrolment has cost an average \$100,000 USD in invested capital! Drucker was wrong. So were a lot of others. One mistake of this kind can be excused. But the same mad mistake was made again and again by university managers around the world. Where are the governments that should have held them to account? Why, when teaching dollars are stretched three times over, are university communities so silent? Does it have to keep on getting worse before it gets better?

Simon Marginson is an Australian Professorial Fellow at Monash University