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INTRODUCTION: THE ENTREPRENEURIAL UNIVERSITY

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We publish here seven papers, accompanied by an editor's introduction and conference coordinator's concluding epilogue, presented at a conference held recently at Western Michigan University with the title "Universities and Corporations."

The title of the conference is perhaps a bit misleading. The conference was not so much about the (rapidly developing) relationships between universities and corporations, though that was an important sub-theme, but how universities are changing in ways that make them seem more like corporations, or like businesses generally. The conference based itself on the premise that the traditional university is disappearing, perhaps already gone if not forgotten. There are, we learn from the papers that follow, two alternatives that might replace it, and which are within our power to create and, perhaps, control: the entrepreneurial university (good) and the corporate university or the university 'run like a business' (bad). How do they differ? Corporations are 'managed' and typically run hierarchically. The top-down university run like a business has on offer items that it expects to sell. Its product line is driven by consumer demand. Its employees are paid as their sales productivity warrants. Its eye is on the bottom line, which means, if not quite profit, then income, prestige, and numbers of students and faculty, among other goals to which quantities can be assigned.

Nothing calling itself a university fits this caricature, presumably. But many institutions of higher education already might properly be called entrepreneurial. The entrepreneurial university retains many of the central features of its traditional predecessor. The faculty retain control of the curriculum, the curriculum is centered on the major areas of learning, faculty pay is determined by genuine intellectual accomplishment and stature, students are selected on the basis of desire and ability to learn. But enterprises are innovative, creative, and encourage individual initiative and risk-taking. Unlike the traditional university, the eye of the entrepreneurial university never wanders far from the main chance. The entrepreneurial university seeks out opportunities for revenue, ingratiates itself into the community, cultivates leaders and power brokers. In the entrepreneurial university, everyone, or nearly, is expected to pull his or her weight outside the classroom, library, and laboratory. Not every professor, or even every program, has the potential to produce revenue, but under entrepreneurship, there is an understanding that those who are not in a position to generate much money will engage in other 'enhancement' activities, generating good will, political support, community involvement, local economic development, and other non-revenue-enhancing goods.

The development of the new university is largely revenue driven (political pressures and calls for 'accountability' also play a role). Despite record incomes from endowments, tuition, and tax revenues, universities today are hard pressed to make ends meet. As outlays increase, and legislative appropriations increase more slowly or actually shrink, public funding becomes a smaller and smaller proportion of total university revenue. Tuition has been raised to alarming heights, competition for research dollars is greater than ever, and somehow expenses do not seem to be containable within available dollars. The question therefore is not therefore whether universities must or will find new ways to raise money, but what these ways will be, how they will affect traditional university values, whether the changes can be controlled, and whether the costs of change are worth the income change is supposed to bring. That was the principal subject of the WMU conference.

The editor of the present volume has not followed the order of presentation at the conference, but has instead divided the seven presentations into two (fairly loosely defined) groups: three theoretical papers exploring enterprise and the university; and four papers illustrating certain 'entrepreneurial' themes, with an emphasis on actual experience at one large, former regional, state-supported university, Western Michigan University itself.

The first paper is by Jon Neill, Professor of Economics at WMU. Prof. Neill reminds us of some of the ways in which universities are not businesses: by not making and distributing a profit, or selling shares in the stock market, for example. More importantly, he expresses skepticism that the competitive environment that is necessary if businesses are to contribute to overall welfare, is the appropriate environment in which universities can make that contribution. And he points out the potentially deleterious effects on research if primarily externally funded research is rewarded.

The second paper is by Samuel Hines, Dean of Humanities and Social Sciences at the College of Charleston in South Carolina, a student, practitioner, and advocate of entrepreneurship in higher education. "We have come," he tells us, "a long way from the idea of the university as a semi-autonomous institution charged with transmitting...and creating knowledge...based on priorities that were largely set by the leadership of the university. Today's university is almost forced to become 'entrepreneurial.'" Change is so great, he says, quoting a striking image, "that colleges in the digital age are like dinosaurs looking up at the incoming comet." Entrepreneurship in the natural and social sciences is already well-entrenched. "The real challenge is to create an entrepreneurial spirit in the liberal arts disciplines," in the face of opposition from practitioners and skepticism from those who would emphasize, through budgeting and administrative devices, professional training.

Many examples show that entrepreneurial, innovative, risk-taking activity is not inconsistent with the traditional understanding of the role of liberal arts. "The key point I want to make is that there are all kinds of synergies that arise as liberal education contributes to the shaping of the entrepreneurial mind and spirit.... It is in the area of 'social entrepreneurship' where liberal education and civic engagement come together with an entrepreneurial culture to create new added value to communities through interdisciplinary collaborations between the university and the larger community to find solutions to pressing social problems and to create opportunities for cultural enrichment."

Entrepreneurship, he argues, has many advantages for universities, including giving them more control over their own programs. But there are risks, including the risk of losing sight of core values. Prof. Hines makes clear that entrepreneurship must not be taken as an end in itself, but must be made to serve the university's basic mission. Revenue-poor academic programs, and non-basic research, must not be sacrificed to financial independence; instead, revenue-generators must share their surplus with the less lucrative disciplines.

The final contribution in the theoretical section, from Eric Gould, Prof. of English at the University of Denver and a close observer of educational trends in Europe, explores the challenges the corporate environment presents to the university's traditional mission. Prof. Gould fears that the university's academic and ethical roles are increasingly endangered by the competitive realities universities must accept. Though his paper largely describes these challenges, and his general view might be described as moderately hopeful, at times he seems rather pessimistic that traditional values can be maintained. He enumerates six concerns: vocational education and applied research for commercial gain threaten to drive out funds for

arts and sciences; civic education becomes relegated to a mere 'add on;' decentralized budgeting places departments in competition, discouraging cooperation; faculty freedoms are threatened and faculty are marginalized in the decision-making process; demands for accountability are largely political rather than based on sound academics; and internationalization and pluralization of the curriculum is too often subservient to corporate globalization. "And so on," he adds.

But in the face of these "contradictions," there is hope: universities have the public trust, and "we need to live up to that trust in ways other than national rankings and...public relations claims." Universities still have the responsibility to develop important knowledge and to speak to the public good. The virtues of both a liberal and market-driven education must "somehow" be integrated, and while Gould does not make suggestions as to how this might be done, he says nothing to suggest that he thinks the task is too much to demand. On the contrary, "We need to recognize that the entrepreneurial and ethical and social responsibilities of the university go hand in hand."

The second section of the volume, dealing with some specific examples, has two contributions about international education. The first of these, by Howard Dooley, then WMU's Director of International Affairs, discusses the huge market known as "international higher education," by which is meant the large number of students world-wide who, for whatever reason, seek higher education outside their home country. This market, once dominated by the United States, is now terribly competitive, and other countries, led by Australia, have already deprived the US of its former market leadership. Full of fascinating facts and figures, Dooley's paper makes the case that higher education everywhere is becoming more Americanized (privatization replacing public funding, American-based curriculum models, English as the common language). Therefore the US has an advantage in attracting a large share of international students, but, he fears, absent important changes including adequate Federal dollars, we are likely to fall short of our potential market penetration.

Next, Ronald Davis, Vice-Provost for International Affairs at WMU, describes programs and initiatives in international education at his university. The issue faced is to bring globalization, which Dr. Davis describes as potentially empowering as well as threatening, into the academic and instructional mainstream. Administrative structures as well as adequate resources must be put in place if more than a handful of the university community are to participate in "the discussion about globalization" that Dr. Davis insists should be thought of as a core part of liberal education in our changing world.

Third, Laureen Summerville, director of Human Resources at WMU, presents in outline form two problems faced by the human resources administration of any large institution today: outsourcing and health care costs. She makes clear that universities do not differ from private corporations in regards to these issues. Outsourcing, she argues, though it has obvious human costs, can be defended not only on grounds of cost-cutting: outsourcing has the potential to improve delivery of services and enable university personnel to concentrate on the university's academic mission. Healthcare costs confront all organizations with budget-busting scenarios, and Ms. Summerville has no magic bullet: fewer and fewer employers are willing to absorb increases in costs, small changes will not address the issue, and employees must be made aware of the current costs of their insurance.

Finally, the then Dean of Engineering at WMU, Michael Atkins, seconded with a spirited presentation of his experiences as a graduate student doctoral associate by Kurt Hayden, gave an overview of his college's programs, emphasizing the close working relationship with business

and industrial partners. The college is situated in the quite new Business Technology and Research Park, which on its 265-acre campus also is home to approximately two-dozen research-oriented companies. These companies are asked to provide students and faculty opportunities for internships, research, and consulting projects. Corporations sponsor undergraduate design projects, and corporate research grants fund many graduate students. Dean Atkins concludes that collaboration with industry has proved there is no better way to train future engineers than through real-life experience with cooperating industries.

In our epilogue, Emeritus Prof. of Political Science Robert Kaufman, the organizer of the conference, presents a broad-picture look at social history, then narrows the focus to consider recent issues in educational funding. It is not only that, as public financing supplies a smaller part of university resources and students cannot be expected to make up all the shortfalls, new forms of financing, inevitably involving private corporations in one guise or another of 'partnership,' will need to be developed. But also, and perhaps equally threatening to traditional values, universities will need to find new and possibly painful ways to harbor their resources and deliver services under still-uncreated models of efficiency. Particularly, Prof. Kaufman worries about the felt "helplessness" in the face of the university's tilt to technology and subservience to the nation's "infatuation" with economic growth. And he urges us not to assume that values currently politically popular must crowd out other values closer to the heart of our traditional mission.

In summary, the editor of this volume would offer the following comment. Our papers present challenges, dangers, and opportunities. Utilizing the opportunities and avoiding the dangers may seem like an impossible order: isn't it inevitable that the ever more frantic search for new and greater income will push traditional academic values more and more to the side? Not, of course, necessarily. Those who claim to support the university's mission to examine, develop, and transmit the "core values of Western civilization," must assume neither passive helplessness nor complacent immunity. But neither must they fail to notice the extent of the challenges. In the papers presented and during the question periods that followed each session's presentations, many issues were raised which can only be noticed here. What happens to communication and openness of research, when funding rests on hoped-for commercialization of results? Is not the anticipated change in emphasis of the role of the professoriate, from intellectuals dedicated to thinking and knowing, to fund-raisers seeking to support themselves and their students, less than wholesome? Indeed, are these roles consistent? Isn't independence of thought threatened if professors are to become supplicants to the rich and powerful? Are radical social critiques going to be tolerated? Will the entrepreneurial paradigm be self-enforcing, because criticism of entrepreneurship will be discouraged? Is the shift in power within the university that is implied when money is not distributed through the governing process but flows directly to faculty entrepreneurs, necessarily desirable?

Finally, it should be noted that remarkably little attention was paid at the conference to the effect of the new university on students. Will more and more classes be taught away from the classroom, and is this really as good a thing as many students may think? (The old educational model of Mark Hopkins at one end of a log and a student at the other, must seem fantastically inefficient when compared to the new model: Hopkins at one computer terminal in, say, Kalamazoo, and several hundred students at computer terminals anywhere in the universe.) Will the entrepreneurial mind-set flourish among students, at the expense of the intellectual? Will students be expected to earn their way by participating in money-raising projects of the faculty?

But if the participants at the conference are correct and the entrepreneurial university is here to

stay, all these questions must be addressed. We hope this volume adds some measure however small to the continuing discussion.

Final Note: The conference held at WMU consisted of three sessions and a total of twelve presentations. We wish to thank Professors Gould and Hines, and the following members of the WMU administration and faculty, each of whom made presentations: Dr. Judith Bailey, President; Dr. Jack Lauderer, Vice-President for Research; Dr. Ronald Davis, Associate Vice-President for Academic Affairs; Ms Laureen Summerville, Director of Human Resources; Dr. Michael Atkins, Dean of the College of Engineering; Dr. Howard Dooley, Director of International Education; and Prof. Jon Neill (Drs. Hines, Gould and Lauderer gave two presentations each). An especial debt is owed to Robert Kaufman, Prof. Emeritus of Political Science, who proposed and organized the conference, and to the WMU Emeriti Council for its sponsorship.