

Book Review of *Universities in the Marketplace: The Commercialization of Higher Education* by Derek Bok

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*According to the reviewer, *Universities in the Marketplace* is a valuable critique of the pursuit of profits by universities. Bok's argument is directed at university presidents and administrators, who feel the pressure to increase profits, and at trustees, legislators, and members of the general public, who often support commercialization. Some might argue that Bok disregards, or is too uncritical of, some of the broader effects of the corporate culture on higher education, but he has made an important contribution to the literature. —Editors*

U*niversities in the Marketplace: The Commercialization of Higher Education* (Princeton University Press, 2003) by former Harvard president Derek Bok is a book that may be too easily dismissed by faculty who have followed the debate surrounding the corporatization of the university or who are generally concerned with its pervasive effects. Bok defines “commercialization” narrowly as the pursuit of profits by universities; consequently, some might argue, he disregards the broader influence of corporate culture on the university that is transforming everything from shared governance to tenure. Others may find Bok’s efforts to praise the virtues of business and to position himself in the political “center” suspect; and still others may label some isolated characterizations of faculty and university culture as gratuitous swipes.

However, Bok’s is an extremely valuable book, directed not primarily at a scholarly audience, but at university presidents and administrators, who feel the pressures to increase profits most intensely, and at trustees, legislators and members of the general public, who often uncritically support commercialization and pressure universities to embrace it. While his analysis of the problems commercialization brings is perhaps not radically new, his practical suggestions and conclusions are nonetheless far-reaching. In the end, he reaffirms

the social and intellectual value of the university, outlines with a persuasive sense of urgency the dangers commercialization presents to it, and lays out a responsible role through which faculty, administrators, trustees and political leaders can address it. *Universities in the Marketplace* presents a carefully crafted argument on this issue that is designed to move the most difficult audience—those most enamored with the opportunities the marketplace offers and, at the same time, least sensitive to its destructive influence.

To open the door with this audience, Bok goes to great lengths to avoid any appearance of bias against business; he praises corporations for providing incentives for customer satisfaction and efficiency and questions whether business might not actually have something to offer universities. In answering that question, he seems to straddle the fence, arguing that universities have other, subtler incentives than profits, but also strongly suggesting that business does have relevance for universities. His discussion of particulars, however, places much more emphasis on the limits to the relevance of business in the core functions of a university. Nevertheless, his conclusion seems to land somewhere in the middle: business is neither wholly helpful nor entirely irrelevant in the context of universities, and university officials must weigh the benefits and costs when evaluating particular projects.

In the search for principles to follow in assessing specific commercial projects, Bok looks for lessons from areas such as athletics, for example, where commercial opportunities have been exploited most clearly. And it is in the chapter on athletics—which attacks prevalent myths about the value of commercialized athletic programs and the usual justifications for their existence—that the depth of Bok's critique of commercialization first becomes apparent. He points out that the vast majority of these ventures not only fail to produce profits but also incur huge academic costs that are accompanied by lower graduation rates and impoverished educational experiences for athletes. The justifications usually proffered to counter this reality are, he offers, simply not true: Commercialized athletic programs do not help universities attract more and better students, increase school spirit or even increase alumni giving. The lesson Bok draws from the playing fields is hardly a fence-straddling one:

. . . the saga of big-time athletics reveals that American universities, despite their lofty ideals, are not above sacrificing academic values. . . in order to make money. Nor will they shrink

from exploiting their own students, where necessary, to succeed on the playing field. Although universities regularly proclaim that they seek to help students develop to their full intellectual potential, they have allowed athletics to consume the lives of their players to such an extent that their athletes cannot possibly obtain anything like the full value of their undergraduate experience. In so doing, universities have compromised the most fundamental purpose of academic institutions (54).

The history of commercialization in higher education athletics gives Bok the opportunity to make another point that will become important when he turns to other areas in which the marketplace is just beginning to make inroads. The example of athletics demonstrates how money slowly transforms values and how hard it is to turn back once commercialization is entrenched.

That is exactly the cautionary note Bok strikes when he looks at other areas of the university, such as scientific research and education via the Internet, where commercialization is rapidly gaining ground. Assessing the value of commercial ventures as they are proposed in these developing areas often appears straightforward because the potential benefits (profits) seem to so clearly to outweigh costs. Weighing benefits and costs is actually quite difficult, both because profits often do not live up to expectations and because costs are so often intangible—the undermining of academic standards and scientific inquiry, the poor moral examples provided to students, the damage to the academic community, and the threats to the university's reputation for its integrity and “disinterested” service to society.

The sprint towards commercialization is aided by the resulting tendency to exaggerate the benefits and overlook the dangers, and also by the fact that it is rarely just one for-profit venture that brings such huge costs but the collective effect of a series of discrete decisions. The pressures on university decision-makers to undertake commercial ventures are thus intense because they know they will be held responsible for turning down what appear to be profitable ventures, but not for the long-term costs as a result of their individual decisions. Because the marketplace will so often win in ad-hoc, case-by-case evaluation, commercial ventures in universities *must* be subject to clear institutional regulations and safeguards. “When rules are unclear and always subject to negotiation, money will prevail over principle much of the time. Resourceful

companies will pick universities apart, finding individual faculties willing to grant them what they want, then using these concessions to pressure other institutions with which they seek to interact” (156).

Bok provides numerous examples of the rules and standards he feels are needed. To protect the integrity of research sponsored by business, for example, he argues that universities should prohibit scientists from conducting research on human subjects if the researcher has significant financial interest in a company supporting the work; and in research not dealing with human subjects, the university should require professors who have ties to businesses with an interest in the results to disclose those ties or funding sources in publications and official testimony.

He also charts a vigorous oversight function for institutional trustees. They should, he argues, establish criteria for evaluating presidents that include not only raising money and accomplishing expensive goals, but also demonstrating respect for academic standards when they conflict with the quest for funds. In addition, trustees should ensure the adequacy of rules surrounding conflicts of interest; they should review for-profit educational schemes and only approve those that clearly have adequate faculty oversight for ensuring quality. And finally, they should conduct regular audits to ensure that standards for upholding academic values are, in fact, being followed.

In a conclusion hardly predictable from the book's beginning, Bok ends with a persuasive argument for the centrality of faculty in a collective effort to provide assurance that commercialization does not threaten academic values. Placing the faculty—not the administration—in the primary decision-making role and positing shared governance—not managerial discretion—as the appropriate process for making these decisions, Bok directly rejects a business model for the operation of universities:

Shared governance and faculty participation, it is said, are expensive luxuries that enterprising universities can no longer afford if they wish to keep up with the competition. Such statements may sound plausible, but there is actually very little evidence to support them. In the history of commercializing higher education, one can much more easily find hasty, misguided,

profit-seeking ventures than point to truly valuable opportunities that were lost through prolonged faculty debate (192).

As is suggested, Bok finally reaffirms the value of the university—not as a potential site for corporate profit-making, but rather as an institution with its own values, standards and organizational logic, one that can only fulfill its critical role in society when it and its core values are protected from business.

The book is not without its problematic sections, however. More than a few times, Bok either fails to grapple with problems that commercialization brings to most colleges and universities or does so in an uncritical way. He suggests, for example, that concerns about the potential of education via the Internet to facilitate administrative intrusion into the classroom are unfounded because of the power of faculty over campus presidents. This argument, however, can only resonate with a handful of tenured faculty and at only a handful of elite institutions.

Even more serious, he refuses to see the increasing use of low-paid, part-time faculty as one of the dangers of commercialization—as he describes, appearing to be a financial “benefit” and not having a cumulative effect that threatens the basic values of the university. In fact, he seems unaware of the debates surrounding faculty contingency, explicitly refuses to label it as “exploitation” and instead, dismisses that charge with the almost inexplicable comment: “Evidently, the graders and instructors involved would rather take the work than seek alternative employment” (96).

Such statements point to a big piece missing from Bok’s argument and a set of needed safeguards left unexamined in his analysis. Despite placing faculty at the center of his program for protecting the university from commercialization, he fails to address the ways in which the corporatization of the university has led to the gradual stripping of the faculty’s ability to do so. He also misses an important opportunity to discuss the role tenure itself plays in protecting the university from commercialization; arguments framing tenure as a social value rather than a mere personal privilege of professors are surely needed.

Collective bargaining as yet another safeguard for protecting the faculty’s ability to speak out and to resist uncritical acceptance of commercialization is even further from Bok’s analysis. In fact, faculty unionization is one of the “dangers”

he holds out to administrators as the price they may pay for commercializing the university: if they make universities more and more like corporations, professors may respond by acting more and more like workers.

One would certainly wish that Bok had addressed these issues in ways responsive to what his own discussion invites, and it is a shortcoming of the book that he doesn't. Nevertheless, *Universities In the Marketplace* is an important contribution to the developing critique of the corporatization of the university, especially since it addresses an audience that is often not engaged in the debate, but crucial to it. He explains as no one else has the seductiveness of commercialization to even well-intended administrators, and he makes a powerful case for the dangers of commercialization to those outside the ranks of liberal arts faculty.