

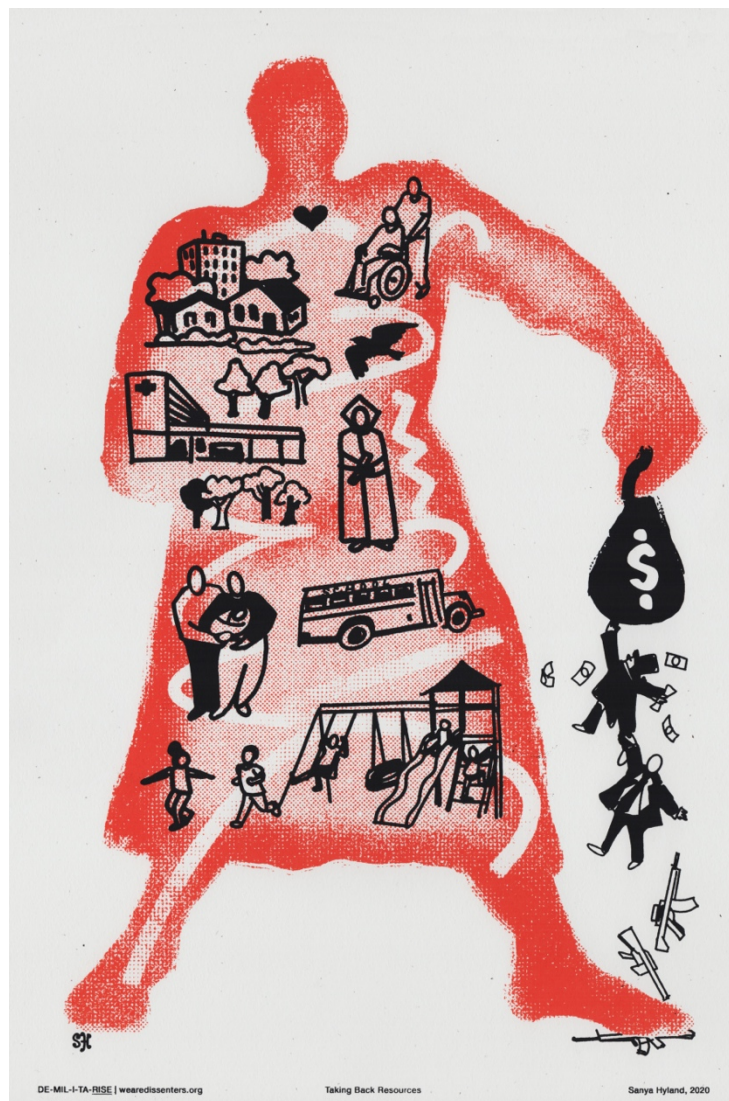
RADICAL TEACHER

A SOCIALIST, FEMINIST, AND ANTI-RACIST JOURNAL ON THE THEORY AND PRACTICE OF TEACHING

FROM *RADICAL TEACHER* #93 (2012)

College for Dollars?

by Richard Ohmann



ARTWORK BY SANYA HYLAND "TAKING BACK RESOURCES" DE-MIL-I-TA-RISE DISSENTERS PORTFOLIO (2021) JUST SEEDS

Some years back, at a conference for administrators organized by *University Business* magazine, former Yale president Schmidt gave the keynote address. He had become head of Edison, the for-profit schooling company, and he spoke enthusiastically about the benefits his new project would bring. During the question period, I asked him if we could expect its benefits to rival those enjoyed by health care consumers since the system's takeover by HMOs, insurance companies, and big pharma. He paused a second to take in the hostile intent of my question, then replied, "Even better," and went on to enumerate. I do not remember his list, but one thing we can certainly enjoy about the privatization of higher ed is the rich vein of black humor in news reports of recent years. For instance:

- Bridgepoint Education Inc. bought a private, accredited college in 2005 and another in 2007. The total enrollment of the two, at purchase, was 400 students. At the end of 2009, it was 53,688, 99% of whom took courses exclusively online (Daniel Golden, "Your Taxes Support For-Profits as They Buy Colleges," *Bloomberg.com*, March 4, 2010). [When a for-profit takes over the accreditation of a college it acquires, it represents that it will preserve the mission of the college.]
- A number of for-profits receive 80-90% of their revenue from the federal government in the form of financial aid for their students. This is the free market?
- An associate degree from one of Education Management Corp's (EDMC) art schools costs on average about \$50,000 ("With Goldman's Foray Into Higher Education, a Predatory Pursuit of Students and Revenues," *huffingtonpost.com*, Oct. 14, 2011). EDMC, which owns a bouquet of around 70 "colleges," gets 70% of its income from us taxpayers.
- Given that income stream, enhanced by the fact that, unlike subprime mortgages, default on these subprime tuition loans is entirely a matter between the student and the government, it is no surprise that recruitment of students has become ruthless. When Goldman Sachs became one of three partner-owners of Education Management, the admission staff tripled, to a sales force of 2,600, around the country. Heavy advertising; cold-calling; on-street hustling ("With Goldman's Foray"). A *Radical Teacher* board member walks regularly along Broadway, near 33rd street, past for-profit recruiters hailing passers-by like carnival barkers. Our guy told two men hearing the sales pitch that it was a scam; they should go to a community college. They agreed and walked off. The recruiter followed our guy all the way to his gym, yelling "I don't shit in your kitchen, don't you shit in mine," and the like. Bounty payments for such recruiters were common until the federal government began investigating them.

- When Christopher Beha went underground to take classes at a New Jersey "campus" of the University of Phoenix, and write about it for *Harper's*, his application form asked for his high school and year of graduation; that was the entire academic portion of the form. No transcript required; Phoenix did not check with his high school to confirm. I call that wide open admissions (Christopher R. Beha, "Leveling the Field; What I Learned From For-Profit Education," *Harper's*, Oct., 2011).
- Really wide open admissions: a spokesman for Phoenix defended the University against allegations of especially lowdown recruitment, saying the company does not allow recruitment at homeless shelters, and "any employee who violates this policy faces disciplinary action up to and including termination" (Melissa Korn, "Party Ends at For-Profit Schools," *Wall Street Journal*, August 23, 2011). Wider open still: "Frontline" told of a college recruiter at Camp Lejeune who signed up Marines with serious brain injuries; the fact that "some of them couldn't remember what courses they were taking was immaterial," so long as they qualified for G. I. Bill benefits. (Hollister K. Petraeus, "For-Profit Colleges, Vulnerable G.I.'s," *New York Times*, Sept. 21, 2011).

There are signs of these times at non-profits, too:

- Clarkson University has established scholarships for freshmen entrepreneurs -- free tuition, but Clarkson gets a percentage of any profits the start-up companies may later achieve.
- Washington State has created an Opportunity Scholarship Program, funded partly by the State and partly by corporate donors; Boeing and Microsoft kick-started it with \$25 million each. The board that governs the program, "composed of private sector representatives," will determine specific policies, including which fields will have the most scholarship students sent their way: health care, manufacturing, science, mathematics, and technology, for instance. Educational and political leaders in the state praised the program, with its "industry leadership." The president of Boeing said, "We need creative solutions to ensure businesses across the state have a pipeline of talent to remain competitive in a global economy" ("Boeing and Microsoft Pledge \$50 Million to New Scholarship Fund," *Microsoft News Center*, June 6, 2011). Not so funny, I admit, as the dark humor our proprietary universities are emitting like deadly laughing gas. But that is the scary thing: educators and the general citizenry have gotten used to the idea that corporate needs should largely determine the course of higher education, coupled with the chiefly economic hopes of students. That idea is no longer funny or outrageous, the way recent scams and crimes of the burgeoning for-profit industry are funny and outrageous.

The economic rationale for higher ed is a given, these days. Our aim in this issue of *Radical Teacher* and mine in this introduction is to probe this ideology, and to propose that radicals say "no" to it and to the practices it justifies, whenever and however we can.

Susan O'Malley's article* opens a wide window on the practices of companies that sell higher education for profit. Some of the ones that have been especially lucrative over the past few years are, like the instances listed above, scandalous. Recruitment tactics in particular are misleading or worse. Admissions people will take anyone, no matter how badly prepared for "college," who can pay tuition. Up front, that is: no refunds if you drop out. Tuition does not even guarantee that students will do any college-level work; they can be stuck in remedial courses until they give up. Most of their tuition money comes from federal and other loans. A student must repay the government even if he or she never completes a degree or certificate program -- or completes it but never gets the kind of job the original sales pitch held up as a likely reward for college study.

So, a common enough story is that of the student who takes classes for a while at the university, does not finish her intended course of study, does not get a better job (or, in many cases, is still unemployed), and is saddled with serious debt from which there is no refuge in bankruptcy. The "product" such a student bought is less than worthless, yet the university received a lot of revenue for it: nearly \$27,000 for a semester at one of the ITT Educational Services technical institutes, for instance; the institute did not have to provide any more of the promised services once the student vanished. Oh yes, and very likely, the university gave "short weight" from the beginning, by putting less instructional time and effort into each credit hour than is standard at traditional universities. Bear in mind: this is a worst-case scenario. Some for-profits offer substantial programs to students who can do the work and who, in many cases, get career boosts as a result. What I have described is by no means the proprietary business model. But it is common among new corporate players in this field. And these hot-shot practices could be responsible for turning the boom into a burst bubble.

Other lucrative practices -- cost-cutting ones -- are at least marginally legitimate. Close to that margin is the purchase of private colleges that have fallen on hard times, in order to take over their regional accreditation, as has been done about three times a year during the for-profit boom. Accreditation is a must, to attract students and to qualify for government loans. To win it in the regular way takes years, and is expensive. Buying a college lets the new owner begin collecting the government money that will be its main source of revenue, immediately (Daniel Golden).

As the Bridgepoint example suggests, the for-profit buyer of a college is likely to take instruction almost entirely online, and online has been the trend at most for-profits for more than a decade. In tandem with that cost-cutting strategy, for-profits save by running their "campuses" cheaply. The campus (one of about 200 that the University of Phoenix runs) where Christopher Beha pretended to take

courses consists of the first and fifth floors of an office building near a commuter train station in New Jersey. No shaded walks, sports fields, or well stocked libraries to drag down profitability.

Then there is labor. Ninety-five percent of University of Phoenix instructors are part-timers. The credentials required of for-profit teachers are minimal; pay is low. Benefits are rare, tenure almost unknown. Precarity is the name of the game. There is no academic freedom. Faculty members are under constant pressure from bosses to meet quotas of various kinds. Faculty members have no role in governance. Nor do they have much of a say in choice of textbooks and other materials. Curriculum? Standard practice is nicely described by Robert Myers, the president of Daniel Webster College in New Hampshire, before ITT bought it and fired him: ITT said, "We only want faculty to teach.' We'll develop curricula in Carmel, Indiana, and give them to you" (Daniel Golden). In a word, although many who teach in for-profits do have professional credentials, the academic profession is non-reality for them. Why would a corporation want a group of highly paid employees with professional safeguards and privileges when it can hire the labor power of a dispersed and compliant workforce on the cheap, Taylorize their work, and take home the profits?

Ask the same question about a traditional, nonprofit college or university, public or private, and some obvious answers would probably pop into mind, such as: to ground learning in reputable knowledge, and to ensure the development of knowledge apart from particular commercial and political interests. Yet as everyone reading this introduction probably knows, nonprofit institutions were casualizing and deskilling academic labor well before the proprietaries grabbed a significant share of enrollments in higher education.

When do you suppose part-time teachers in California community colleges approached 60% of the whole teaching force? Here is Emily Abel, in the July, 1977 issue of *Radical Teacher*, "The Professional Proletariat":

Although part-time instructors constituted the majority of the faculty in almost every community college district in the state by 1975, these teachers were not considered regular members of the college staff. Lists of the faculty generally omitted the names of part-time instructors. The pay and conditions of part-time instructors reflected their low status. A part-time instructor is generally paid less than one half of the prorated salary of a full-time instructor [i.e., \$800 per course], and is denied all fringe benefits. Classified as "temporary employees," part-time instructors have no job security and are not entitled to due process hearings when they are dismissed. Thus, the institutions that claim to function as the democratizing agents in higher education are in fact run like profit-oriented businesses: they maintain a small staff of full-time workers and, when business demands increase, hire supplementary parttime workers who can be paid at a lower rate and who can be dismissed at will.

At Santa Monica, the community college where Emily Abel taught, enrollment increased by 3,400 from Fall, 1974 through Spring, 1976. To deal with the increase, the college

added 15 full-time teachers, and 350 part-timers, just as a "profit-oriented business" would have done. No profit landed in the bank accounts of trustees because Santa Monica cut costs and gained flexibility through this strategy. Presumably its administration responded as it did because that was the easiest way to deal with a flood of new students, but chiefly because government funding for higher education had already begun its long decline -- gradually through the 1970s, then rapidly in the following three decades.

This is not the place to retell the even bigger story behind the squeeze on public higher education. In any case it is by now pretty well understood on the left. I mean the cresting of the postwar boom in the United States toward the end of the 1960s; stiffening competition from European and Japanese capital; the fiscal crisis of the state and the steady withdrawal of public goods and services; the rightward turn in politics, led by a phalanx of conservative foundations and consolidated during the Reagan presidency and afterward - including the deregulation of capital, to roam the world, perform new stunts of risky accumulation, and bring on the collapse of 2008.

The labor "crisis" in most academic fields began punctually in 1970. Old timers in language and literature will remember what happened at the December, 1969 convention of the Modern Language Association. It had been moved from Chicago to Denver, to protest the riot of Mayor Daley's cops against demonstrators at the Democratic nominating convention in 1968. People in the Radical Caucus showed up ready to raise hell about the war, racism, male supremacy, and so on, to discover that a Job Seekers Caucus had formed to protest still more loudly about the collapse of the job market. No interviews. No jobs.

Since then, employment for new Ph.D.s in those fields has drifted up and down; it is now at about 1968 levels, though the population of college students has grown apace. Emily Abel sounded an early alarm in 1977 about the way strapped public universities had resorted to hiring teachers off the tenure track (OTT). Cries of distress and outrage were followed by numerous careful studies. For example, to stick with my own area, the Modern Language Association issued its excellent "Final Report of the MLA Committee on Professional Employment" in 1998. It began: "Higher education in [MLA] fields . . . has reached a crisis that has been building for a long time" and went on in its first paragraph to assert that "as financial support for colleges and universities lags behind escalating costs, campus administrators increasingly turn to staffs of ill-paid, overworked, part- or full-time adjunct lecturers and graduate students to meet instructional needs . . ." (*ADE Bulletin*, Spring, 1998). Sounds familiar. The situation is worse now than 14 years ago, much worse than in 1969. Now, between 70% and 75% of instructors in colleges and universities are OTT. "Crisis" is the wrong label for a situation that has persisted and worsened for 40+ years, unless in a very broad sense: e.g., an historical crisis of the capitalist system.

That is where I for one think we are. No need to press the big thesis here, or start raving about climate change and peak oil, as I am prone to do. Capital's success, since 1970,

in reducing labor to its lowest global denominator and piling up bigger surpluses from exploitation than at any time since the days of the robber barons is enough to settle for, in this essay. That idea gives us a handy, provisional way -- not a cheerful one -- to think about the degradation of academic labor in this epoch.

And, of course, about the commercialization of higher education. The casualization of the workforce has many advantages for private employers, including obviously those who run the gung-ho, for-profit universities. In the nonprofits, it came along as part of the same system-wide movement, and with a big assist from the digital technologies, but not with the same incentives. Rather, it proceeded unevenly from the decline in government support for public universities, and from various other pressures on all but the richest private universities and colleges. Changes in university management -- corporate structure, bottom-line orientation, top-down rationalization of work, ever more intrusive practices of "assessment" and "accountability" -- both resulted from and helped bring about the new labor regime. It is a main feature of the commercialized university, and should be a critical organizing focus for progressives in the academy.

The defunding of public higher education, one tactic in the general assault on the welfare state, has partially caused many changes, which, together, add up to what we are calling "commercialization":

- Budget cutting wherever possible: eliminating tenured positions, freezing salaries, putting faculty members on "furlough," and so on.
- Activity-base costing: i.e., rating and rewarding or punishing departments, programs, and other units according to how much money they bring in, per dollar spent; at an extreme (as at Texas A&M recently), figuring out the value added (or lost) by each instructor and researcher.
- Outsourcing: finding businesses to provide services more cheaply than the university is able to do on its own: maintenance, food services, book stores of course, and more recently, health services, student housing, purchasing, payroll, technology operations, and on into what we might think of as faculty work: instructional design, online courses, "learning management," tutoring, even library management.
- Economizing on the educational process itself: putting courses and much else on line.
- Hiring consultants and administrators from the for-profit economy to advise, manage, and streamline -- i.e., make the university more like a business.

More dazzlingly, commercialization has also meant pursuing new sources of revenue:

- Raising tuition is the most noted of these strategies; with it goes deferring costs to students

through loans, and up to a lifetime of paying interest on them.

- Profiting from faculty research: the Bayh-Dole Act of 1980 was a critical step in allowing universities to license ideas and inventions to profit-making companies.
- Starting up for-profit companies themselves; establishing "incubators" for them, on research campuses.
- Seeking corporate investment in faculty research (over \$2 billion a year, by 2002).
- Selling rights to market stuff on campus -- Coke and Pepsi, most lucratively.
- Selling students' attention to corporations, through advertising that comes along with registration, enrollment in courses, billing, campus announcements, and such.
- Expanding profitable adult education programs.
- Adding vocational certificate programs to the usual, more time-consuming degree programs.
- Shifting the whole curriculum in a vocational direction, often with the employment needs of local companies as a direct (if sometimes errant) influence.

For decades, enrollments in liberal arts have held fairly steady, while enrollments in subjects promising employment advantages have gone way up. In responding to the economic needs of corporations and the perceived vocational needs of students, traditional colleges and universities have come to look more and more like the for-profits. (See "What's Happening to the University and the Professions? Can History Tell?" in my *Politics of Knowledge*, Wesleyan, 2003 for a lot more on this subject.) They still have far to go, and we can be sure that big differences will persist across the spectrum of for-profits, public universities, and private nonprofits, so long as education must remain stratified in order to do its bit for the reproduction of social class, in an increasingly unequal society. Harvard College admitted just six percent of its applicants this year. Though it has been called a hedge fund with a university attached, Harvard is not likely to merge with the University of Phoenix any time soon. Still, the two kinds of institution are often conceptualized together these days. Speaking of Harvard: Clayton M. Christensen (a prominent business school professor there) and Michael B. Horn recently wrote, "the business model that has characterized American higher education is at -- or even past -- its breaking point" ("Colleges in Crisis," *Harvard Magazine*, July-August 2011). Almost 90% of students in the United States are at colleges and universities that are not businesses, but that seemed irrelevant to Christensen and Horn's argument, which was that online universities (mostly for-profit) have the business model of the future.

This blurring of distinctions is not peculiar to the vision of business school honchos; it has become standard in public talk about higher education, including political debate about how to fund or defund it. Since Reagan's time, federal support for funding of K-12 schools has been ritually linked to the premise that it is good for (a) individual economic success, (b) the competitiveness of U.S. corporations, and (c) an ever-rising GDP. The same obsequious ritual is almost compulsory now for those who would convince legislators to fund (however shabbily) education at public universities. And of course, to oppose the many who, like Christensen, might hold that nonprofits have no reason to survive competition from proprietary institutions unless they can produce the economic benefits that now seem the only measure of value. Marx was right. Capitalist markets swallow all human activity the way black holes swallow galaxies. Few capitalist politicians and bureaucrats -- certainly not Barack Obama or Arne Duncan -- resist this shift in what we talk about when we talk about education.

Teachers and students should resist and refuse it. When we have our chance to pitch in, we should gently and powerfully (go Occupy!) remind leaders that we think of education as a human, not an economic, right. Curiosity, lifelong learning, wisdom, and pleasure for the 99%, not subprime loans and more Twinkies. Maybe reeducation camps for the top one-tenth of one percent? Can we imagine a pedagogy of the imprisoned for the Kochs and Cheney's? Ah, well, not in my lifetime.

But speaking of Twinkies, and ships and shoes and sealing wax, etc., we really need to fight against the commercializing ideology also because the commodification of all human needs is going to make our planet a desert. Again, not in my lifetime. But too soon, unless we win the fight for education as democratic citizenship and direct it toward smart decisions about the common future. That means knowledge for the people, not the corporations. We can cheer for free inquiry without cheering for bigger profits from it.

When I did the college tour with my granddaughter two years ago, only one of the expensive and hard-to-get-into schools on her itinerary included in its admissions office pitch any reason for going to X other than, basically, "you can get anything you want, here"--an upscale version of education as a commodity, omitting scary references to the tough world in which good jobs are hard to find, maybe impossible even with a degree from X. One college said it was for peace and justice. She went there. Let's all go there.

Note

"The Leading Edge of Corporatization in Higher Ed: For-Profit Colleges," *Radical Teacher* #93 (Spring 2012)



This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).



This journal is published by [Pitt Open Library Publishing](https://pittopenlibrarypublishing.com/).