Corporatization: Concept of Slogan?

Campus, Inc.: Corporate Power in the Ivory Tower
Edited by Geoffry D. White with Flannery C. Hauck
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In the preface to *Campus, Inc.: Corporate Power in the Ivory Tower,* Geoffry D. White, the editor of this collection of essays, states his goal up front: "to bring together a wide range of individuals and organizations who would provide a broad perspective on the problems and remedies unique to this single issue: the growing corporatization of the university" (p. 15).

In other words, White wants to chronicle how corporatization is corrupting the academy and how a new wave of campus activism is resisting the specter of corporatization. But the essays aren't only an academic exercise. White wants "a book that does something to show how to prevent the university from becoming another source of corporate welfare" (p. 15).

The essays realize two of White's three objectives. First, they thoroughly describe an endless number of corporate intrusions into what David Noble in his essay calls the sacred place of the academy. These corporate invasions run the gamut from the imposition of brand-exclusive soda machines on campus to the corporate takeover of academic research and almost everything else in between.

If you want to know what's going bad at the academy, this is the book to read. It puts at your fingertips the data of intrusion—which is good, since we need to know what's wrong if we're going to fix it.

The essays then go beyond depicting what's wrong. They're also inspirational, perhaps even to the point of being preachy in recounting how activists are resisting the corporate onslaught. In fact, when we put the book down, we felt as if we'd just left a progressive revival meeting. We felt so good about the many victories campus activists are registering over corporate capitalism we wanted to go out and do something to help.

And isn't that what Geoffry D. White wants from his readers? Just look at what's happening on American campuses: In 1998 alone, students conducted democracy teach-ins at some 200 campuses across the nation. Now that doesn't sound like much given the nation's more than 3,000 institutions of higher education. But the essays tell us about many more activities and suggest that student activism is making a comeback.

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on campus; they're demonstrating for education as a right; and American students may even be on the verge of joining the larger global democracy movement.

Yes, the corporatization of the academy is giving birth to a nascent resistance movement. It's too early to see just how big it is and how far the new movement will go, but the essays in *Corporate, Inc*. tell us something important is happening at campuses across the nation and in Canada.

Assuming that the authors aren't overstating their cases, it's time to look at White's third goal. Where do we go from here? What can we do about the corporatization of the academy?

Sure, teach-ins are worthwhile. They raise consciousness and make us feel good. But you don't defeat corporatization with teach-ins. And, yes, isn't it as obvious as it is important that faculty unions are in a good position to fight many aspects of corporatization, such as outsourcing?

We could go on. But here's the point. Just what is it that we're fighting? What is corporatization? It is on this question that the work falls short. The essays in *Campus, Inc*. lack the theoretical clarity and precision necessary to provide real guidance in our fight against the corporate takeover of higher learning. The essays simply don't address some very basic questions we need to answer if we're going to develop an effective strategy of resistance.

To resist corporatization successfully, we should know what the concept means, why it is important, and what threats it poses to the academy. The essays in this collection offer little guidance on these key questions. The essays are generally a series of anecdotes used to demonstrate the horrors of corporatization. They reveal the obvious and hide the essential. The authors only vaguely define corporatization and never really analyze the concept and how we might use it as a weapon against corporations.

For the authors of this collection, mere corporate presence seems to be synonymous with corporatization. The implicit definition of corporatization that runs throughout the work is the one used by Robert Daniels. Daniels—who at least tries to define the term everyone is discussing—views corporatization as "the increasing presence of private businesses … in campus dining rooms and dormitories, classrooms and libraries, athletic fields and laboratories."

He also "refers to the increasing control that business corporations exercise over academic culture and

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governance," partly because the nation's increasingly conservative governing structures are cutting public spending in higher education (Robert Daniels with Lisa Blach and Peter Caster, p. 62).

In this view, corporatization is everywhere—which isn't very helpful. How do we use Daniels's concept to resist everything that smacks of corporate behavior on campus?

Should we protest the presence of a socially responsible company on campus, a company like the old Ben and Jerry's? If so, why? Just because they no longer work out of their garage? Does putting a Coke machine on campus differ from, say, doubling class size to save a few bucks? Does the Coke machine differ from corporate-sponsored research? If so, how do we make that distinction? More, exactly why is corporate behavior bad for the academy, and how do we know it's bad?

On this point, many of the articles substitute an overly romantic view of the university for basic analysis. After all, corporations are the dominant institutions in the United States and are viewed favorably by large segments of the population. Many people actually think the intrusion of corporate practices on the academy is a good thing.

Aside from anecdotes that occasionally describe the deleterious effect of some vague notion called corporatization, Daniels's definition and the accompanying essays don't provide us with clues on why corporatization is harmful to the academy. In fact, the essays tend to preach to the converted while ignoring the jugular questions.

Corporate interference in higher education in the United States is not a new phenomenon. Just look at Thorstein Veblen's *The Higher Learning in America*. which talked about business intrusions into the university as far back as 1918. Was that corporatization? He was, after all, referring to the imposition of business practices on the university. Is there a difference between what was going on in 1918 and what people are dubbing corporatization today? If so, how do we know what it is?

If we can't respond precisely to these questions, the concept becomes almost meaningless as a tool for resistance. So we want to take this opportunity to address the theoretical muddling of the concept of corporatization. It's our hope that this initial foray will lead to a more precise use of the concept and, with it, the emergence of a more effective strategy to resist the corporate takeover of the academy.

Back in 1918, Veblen had cause

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for concern because business values were infiltrating institutions of higher learning. But, Veblen's precautionary warnings aside, American companies and higher education institutions were relatively independent of each other. Sure, business leaders contributed to endowments and the top universities and colleges faced the task of educating the country's next generation of business leaders. But the goals of the business and higher education communities remained distinct and different.

So, what, if anything, has changed? Since this corporatization process has been going on for most of the 20th century, the idea is best understood in terms of quantitative changes becoming changes in kind. It's difficult to delineate exactly when corporate meddling in the university increased to the point that it became corporatization, but the economic crunch of the 1970s and the emergence of corporate-sponsored research in the 1980s appear to represent true watersheds.

To adequately define corporatization, it's important to begin by comparing the goals of educational institutions with the goals of business enterprises in capitalist America.

In capitalist America, companies are in business to turn a profit. If they don't do this, they will eventually shut their doors and go out of business. That's the bottom line. To realize the goal of profit making, these enterprises must produce a product as a means to the end of making a buck for the company's owners.

Businesses may produce tangible products such as steel, automobiles, or widgets; or they may produce abstract goods, as in the production of knowledge or services. But whatever the product, they must sell it for more than it cost to produce in order to turn a profit. That's why corporations are always seeking ways to lower the costs of production.

In other words, business enterprises produce goods for the purpose of exchange. They produce exchange values.

If the product produced is only a means to the end of making profit, the quality of the product is a function of whatever it takes to sell it. An inferior product may sell sufficiently to provide a healthy profit; but, in a competitive marketplace where consumers have choices, the production of quality goods becomes an issue. All things being equal, consumers are likely to purchase the higher-quality good.

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to meet the competition by lowering the costs of production, further revealing the tension between profit and quality, a contradiction inherent in the production of exchange values.

The goals of educational institutions are quite distinct from those of the corporate sector. Educational institutions seek to inculcate students with the values associated with the unfettered pursuit of knowledge.

The pursuit of truth, of course, means that all ideas are up for grabs. This encourages dissent and disagreement and a tolerance for different opinions, all essential components of good citizenship in a democratic society.

More to the point, the goal of education is education. The search for truth is an end in itself; and, if society reaps the utilitarian consequences, all the better.

People like John Dewey talked about the utilitarian value of the pursuit of truth and how it breeds values conducive to a democratic society, but the fact remains—the goal of higher education institutions is education. Or to put it another way, educational institutions produce a use value, an abstract good that is an end in itself.

As Aristotle observed millennia ago, the logic of production for use is different from that of production for exchange. The logic of production for use is, simply put, if the product is to have any use value it better be useful. To be useful means that quality considerations are paramount. The better the product, the more useful it becomes.

Questions of efficiency of production and what profit the product might bring at the marketplace are, at best, secondary to whether or not it does what its producers produced it to do in the first place.

This, we believe, is the key distinction between corporate enterprises and educational institutions. The former produce exchange values. The latter produce use values.

The consequences of this distinction are far reaching. First, there's the isolation of educational institutions in a world dominated by exchange values. It is easy to see why the university is often viewed as an atavistic remnant of the past. When judged by exchange-value criteria, that's exactly what the university is.

Second, this exchange value-use value distinction is important if we are to fully understand the perils corporatization presents to the university. The problems of corporatization are not just a matter of disliking the imposition of corpo-

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rate values on the academy, as many writers on the subject implicitly suggest. A sound approach to understanding corporatization must provide us with intellectual tools that explain why corporate values pose a threat to the university. The tension between exchange values and use values helps us do just that.

Let's look at the example of faculty productivity. Applying use-value criteria to the university, we determine productivity by what the student learns. There are many different ways to measure learning; and, needless to say, there's an ongoing dialogue on how to do this. But—importantly—this debate focuses on the goal of education: educating students.

Applying exchange-value criteria shifts the focus to cost reduction: productivity increases as costs decrease. Take the issue of class size. An increase in class size that reduces costs is an increase in productivity if we use exchange values as our criteria.

But to the extent that a larger class size reduces learning, as many studies show, productivity actually decreases when use value is the goal. Similarly, replacing full-time faculty with legions of part-timers reduces cost but also undermines the quality of the total educational experience.

The implication in this equation is clear: The corporatization of the university means that the goals of learning are being destroyed. This is what happens when exchange-value criteria are used in a setting that produces use values. The inherent contradiction between the two is more than theoretical. It's real and forces us to ask the obvious question: At what point does an educational institution collapse because its educational function is infected with exchange-value criteria?

Put another way, at what point does an educational institution collapse because it's no longer educating? This is the primary danger presented by corporatization. This also explains why the fight against corporatization is a fight for quality higher education.

The distinction between the goals of educational institutions and the goals of the corporate sector make it easier to understand the ongoing pressure to impose exchange values on the university. In fact, it is the tendency to impose exchange-value criteria on institutions of higher learning that is the real meaning of the corporatization of the university.

When understood in these terms, the concept becomes more than a series of activities the Left

Corporatization means substituting the production of exchange values for the production of use values.

dislikes and the Right applauds. Indeed, value criteria make it clear that corporatization provides a real threat to the educational process.

With this in mind, we can now define corporatization as the process by which an institution substitutes the production of exchange values for the production of use values. More plainly, we can say that when a corporate value interferes with the quality of education, that's corporatization.

Look at what this framing of the idea allows us to do. First, it puts us in a position to oppose corporatization because corporatization undercuts the quality of the education offered. Our opposition to the practice is not just a matter of disliking corporate practice. We have logical and historical reasons to resist, reasons that we should be able to use as effective weapons in our struggle against corporatization.

Defining corporatization in terms of the contradiction between use and exchange values also means that some of the practices we don't like may not fall under the rubric of corporatization.

Let's return to the example of soft drink machines on college campuses. Corporations are making money off students who may have limited options. But unless the campus is involved in some sort of tradeoff that undercuts its production of use values, this act, according to the definition here, is not corporatization. It's a corporate practice we don't like! And, while there might certainly be reason to oppose the practice, blurring distinctions doesn't help our cause.

Similarly, sweatshops are a despicable corporate practice, but the sale of sweatshop-produced apparel in our campus bookstores isn't in itself an instance of corporatization. Now, if a sportswear manufacturer were to offer a university a substantial share in its bookstore sales of sweatshop goods, we would have reason to suspect that such a compact may begin to infect trustees' decisions on strictly educational issues. Again, this is not to diminish the importance of the student-led anti-sweatshop movement. Rather this is an effort to keep our definitions straight.

Not all instances of corporatization on campus come from corporations. For instance, the State University of New York trustees' financial policy, originally dubbed the Resource Allocation Method (RAM), pits one SUNY campus against the other in the Darwinian arena of the marketplace.

RAM is predicated on the premise of "every tub on its own bottom." In other words, each cam-

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pus must be "profitable" in the sense of paying its own costs and generating its own revenues. After all, RAM is based on an exchange-value formula that equates enrollments and low program costs with educational quality. One might say that RAM is the perfect example of Darwinism gone ape! It's a clear example of exchange value at work.

The authors of *Campus, Inc.* protest that the presence of Coke machines on campus is turning students into consumers, as if students weren't already consumers from the day they watched their first kiddie cartoon on TV.

In the new millennium, students protest sweatshop corporations' turning a buck on campus property just as in the 1970s they protested Apartheid in South Africa by lobbying boards of trustees to divest their endowment funds of Shell Oil stock.

Whether explicitly stated or not, the belief that academe is a sacred place runs through all these essays. It's sacred because its different from the rest of society seems to be the theme. But what these essays don't do is clearly articulate what this difference is. The academy produces use values in a world dominated by exchange values. That's what makes the academy different—and sacred.

Now we know what makes the halls of higher learning sacred, what threatens these halls, and why.

The exchange-value/use-value model may not apply to everything on campus we don't like, but it gives us a theoretical basis for defining the battle lines and drawing up our battle plans. So let's get to work. ■

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