

# UNIVERSITIES IN THE NEW MILLENNIUM: HEADING TOWARD A NEW CULTURE

Brian Flemming

The Canadian system of post-secondary education of the late 20th century in which public money accounted for 50 to 80 percent of university budgets “is on its way to the dustbin of history,” writes Brian Flemming. The pressures brought about by the move in most professional schools toward the full-cost recovery model, in which institutions charge tuition fees that pay the entire cost of students’ educations, as well as the claim to special status by a handful of universities, are jeopardizing the equalization program upon which most Canadian universities currently depend. Add to this the constitutional division of powers that forces the federal government to intervene through indirect means such as unaccountable foundations, and you end up with a crisis situation. But some positives might come out of this, concludes Flemming. As soon as one institution goes all the way on the road of independence and moves away from reliance on the public purse, the long overdue debate on the shape of Canadian academy will begin. And the sooner the better, he says.

Le système canadien d’enseignement post secondaire de la fin du xx<sup>e</sup> siècle, où le financement public varie de 50 à 80 p. 100 des budgets universitaires, risque de bientôt disparaître, écrit Brian Flemming. Le mouvement vers le plein recouvrement du coût de l’éducation qui s’étend à la plupart des établissements professionnels, de même que la revendication d’un statut spécial par une poignée d’universités, menace le programme de péréquation dont dépend la majorité des universités canadiennes. En ajoutant à cette menace la division constitutionnelle des pouvoirs qui contraint le gouvernement fédéral à intervenir par l’entremise de moyens indirects, des fondations non imputables par exemple, on se retrouve dans une véritable situation de crise. Mais il pourrait résulter de tout cela quelque chose de positif, estime l’auteur. Plus vite une institution s’engagera sur la voie de l’indépendance complète et ne dépendra plus des fonds publics, plus tôt s’amorcera le débat trop longtemps repoussé sur la forme à donner à notre système universitaire.



**N**ature abhors monocultures. Forests with only one species of trees are sitting targets for devastating diseases. Institutions also are threatened by a monocultural environment. When monocultures occur, natural forces usually conspire to cause diversity to come about. In the years since the Second World War, Canadian universities have gone from the monoculture of being mostly private institutions to the opposite monoculture of being institutions that are all supported significantly by public money. The current monoculture is under great pressure to change.

In the private model, post-secondary education in Canada was a “privilege.” In the partly public model, a

university education has been transubstantiated into a “right.” More than simply wanting to claim this right, many of today’s university students demand the system also hand them a degree that will open wide the vast vaults of good jobs and high incomes of the 21<sup>st</sup> century Canadian service economy.

The latter demand may lead to a breakdown of the contemporary, partly public Canadian post-secondary monoculture. The players who will destroy this monoculture are the federal government (which created it in the first place) and those who promote the current trend toward full-cost recovery of tuition fees at Canadian universities. Both efforts will seriously undermine the cur-

rent model of universities in Canada. Are Canadians ready for it?

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Anyone in the "development" — a euphemism for money-harvesting — offices of Canadian universities should be worried about this trend. Because relatively more money tends to be raised from the alumni who went to these professional schools (including undergraduate business schools), the ability of university development officers to attract large alumni-generated gifts is directly related to the question of how warmly these graduates feel toward their alma mater.

If alumni know they've paid the full freight for their MBAs, they may

question the need for them to help the Billy Buccaneer School of Business at their old university. (Indeed, the "naming" of various B-Schools after wealthy business barons will prevent them from having their old, ivy-covered haunts named after them: another reason not to give.) If, on top of the foregoing, professional school professors

are paid salaries that are competitive with the so-called real world, rather than the derisory pay many get today, future full-freight-paying alumni may not feel much need to give to subsidize poor Professor Schloch who taught them cost accounting or corporate finance. If Professor Schloch is making \$300k per annum, why bother?

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The true bottom line is that most large-scale university fund-raising relies on the ability of these professional schools to share the wealth with the rest of the academy. Because 90 percent of Canada's one million full-time and part-time university students are undergraduates, not denizens of MBA, medical or law schools, this is a necessary equalization program, one most Canadian universities could not live without.

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day the head of the Buccaneer B-school or the dean of the Grabbit-and-Run Law School wakes up and asks: why am I sharing all this booty with those non-vocational-oriented humanities people, or with social scientists who seem to be studying things in which I have little interest? What if his or her alumni come to the same conclusion and either stop giving to the broader institution or target their gifts solely to their old professional school? That could be a monoculture-ending event as significant as the arrival of the Canada Council in 1957 with its bags of Killam-Dunn money, ready to be directed toward the building of new university structures from coast to coast.

**T**hen, there is the other current major attack on the monoculture, the one coming from deep inside the academy, from the so-called "silver seven." The seven — the universities of Toronto, BC, Alberta, McGill, Western Ontario, Montreal and Queen's — claim to be nothing less than hemi-semi-demi-Harvards in the making, right here on the frozen

taiga of the Great Mediocre North. Because they claim a special status, these universities have, in the last year, been pleading for more "manure," i.e. government money, to be concentrated on their very special "rose gardens," i.e. their graduate and research programs. They want this money to be given to them through the publicly unaccountable founda-



Peter Bregg, Maclean's

The campus of Queen's University in Kingston, one of the "silver seven" Canadian universities looking for special status: "The universities of Toronto, BC, Alberta, McGill, Western Ontario, Montreal and Queen's," writes Flemming, "claim to be nothing less than hemi-semi-demi-Harvards in the making, right here on the frozen taiga of the Great Mediocre North. Because they claim a special status, these universities have, in the last year, been pleading for more 'manure,' i.e. government money, to be concentrated on their very special 'rose gardens,' i.e. their graduate and research programs."

tions that have become faddish in the last few years in Ottawa. These foundations will give them a free hand to break their particular corner of the monoculture.

University of Toronto President Robert Birgeneau has even been quoted in a national newspaper — obviously in the certain belief the "silver seven" were better than the other 107 Canadian post-secondary institutions — saying that the seven *soi-disant* superior schools deserved special treatment because "they aspire to join the ranks of the very best public universities of the world." Many of us aspire to lofty goals in our lives but that aspiration alone is not sufficient reason to

grant special treatment through public funds to anyone or any institution.

**E**ven before the arrival of full-fee-recovery policies at professional schools, and the self-declared special worthiness of the silver seven, the sad truth is that Canada's university system was already on its way to being at least two-tiered, thanks partly to tuition fees that are rising far faster than the anemic inflation rate this country currently boasts. Then there is the three billion dollars in "deferred maintenance" that needs to be spent on university buildings across Canada. Finally, there is the growing discrepancy between the financial health of

universities in Canada's four largest provinces and all the rest. Is it coincidental that the silver seven just happen to be in those four blessed, and largest, provinces?

Thanks to the way the Fathers of Confederation cut their deal on federal vs. provincial powers in the original 1867 Canadian constitution, the federal government has always been forced to put federal money into university research or bricks and mortar rather than into the desperately needy operating budgets of scores of Canadian post-secondary (but largely undergraduate) institutions and their faculties of humanities and social sciences.

Federal transfer dollars “earmarked” for education have so often found their ways into provincial highways or health care budgets that Ottawa has grown tired of using that antique technique. It has therefore sought other models. The Canadian Millennium Scholarship Foundation is one of the most recent attempts to break this monoculture-creating constitutional impasse.

The attack on publicly unaccountable federal foundations has just begun. Dalhousie public administration professor, Peter Aucoin, in an article in the spring, 2003, issue of *Canadian Public Administration*, says, “The design of these foundations constitutes the privatization of public authority to allocate money for public purposes in ways that put them beyond the pale of the Constitution’s requirement for Parliamentary control.” The government, he says, has removed these foundations “from the partisan arena of ministerial and parliamentary government and thereby allow private-sector ‘stakeholders’ to manage public business with public money.” That is precisely the goal of the silver seven, with their claim over management of the \$3.15 billion that has so far flowed to the Canadian Foundation for Innovation.

Former Tory MP and parliamentary secretary J. Patrick Boyer has also joined the anti-foundation fray in his book, *Just Trust Us*, in which he mirrors Aucoin’s attack and asks why public, or democratic, accountability is eroding in Ottawa and why, in recent years, politicians have been so willing to give up their historic, constitutional prerogatives over control of the public purse, while whining simultaneously about the need for more power to be given to House of Commons committees or to individual MPs. It is a puzzlement for Boyer and many others.

How will all these trends play out in the next decade in the Canadian versions of one of the last remaining medieval institutions — the university? Perhaps the deep Canadian passion for equity and equality (they are not the same) will raise its (some say, mediocre) head once more. If so, it will begin by foiling the ambitions of those university presidents who think they should be

Perhaps the deep Canadian passion for equity and equality will raise its head once more. If so, it will begin by foiling the ambitions of those university presidents who think they should be heading Harvard or Princeton, not UBC or McGill. It could even lead to a re-opening of the hoary constitutional debate on education but, this time, the problem might be solved the way Roy Romanow suggested the medicare-funding impasse be broken, namely, by free and open federal-provincial agreements that guarantee federal monies transferred for a particular purpose will *actually* go to that purpose at the provincial level.

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I am not so optimistic about the fate of the professional schools. When the public purse no longer pays any part of one’s education at them, and when one begins to

appreciate the extent of the subsidy that is therefore being paid to the “mother” institution, why bother to continue this practice? One university president recently told me the “brand-name” of the university would keep these schools in the fold. That is doubtful, especially at schools that don’t even carry the name of their university any more, but bear the name of some egotistical rich person. (Granted, some universities got their names originally from similar people but that was another wench in another country.)

Whichever way the band marches, the late 20<sup>th</sup> century Canadian monoculture in which public money contributed anywhere from 50 to 80 percent of university budgets is on its way to the dustbin of history. Which university will be the first to “go all the way” and return to full private status, à la most universities of the 1950s? I have my personal predictions but the individual institutions that opt for privatization will not be as important as future potential declarations of independence by one or more universities from their reliance on the public purse. Only when one or more of these declarations occurs will the overdue debate on the 21<sup>st</sup> century shape of the Canadian academy finally begin in earnest. Speed the day.

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