

1-1-2000

The Tricks of Academe

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Published version. Published as a chapter of a book entitled *Campus, Inc.: Corporate Power in the Ivory Tower*. Eds. Geoffrey D. White with Flannery C. Hauck. Amherst, NY: [Prometheus Books](#), 2000: 29-35. © Prometheus Books 2009. Used with permission.

THE TRICKS OF ACADEME

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The House Ethics Committee investigated former Speaker Newt Gingrich's teaching of a course titled "Renewing American Civilization" at Reinhardt and Kennesaw State colleges in Georgia. The course was beamed by satellite to other colleges and universities, which offered it for college credit.¹

Gingrich's critics charged that the course's purpose was indoctrination rather than instruction. The accusations were given substance by a letter sent by Gingrich soliciting contributions for the course. The letter, sent before the controversy began, suggested that the House Speaker intended to use the course to recruit Republican activists for the 1996 campaign. "Our goal is to have 200,000 committed citizen activists nationwide before we're done," Gingrich wrote.²

Another solicitation letter invited corporate contributors to "participate in the course development process," and contributors like Hewlett-Packard and Scientific Atlanta were mentioned favorably during lectures. The former House Speaker described Hewlett-Packard Corporation as "one of the great companies in American history." In another lecture, Gingrich described Scientific Atlanta as "a model of the spirit of invention and discovery."

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Critics also charged that the course was improperly funded by a Republican political action committee and corporate contributions, which were tax deductible because they were given to a college rather than a political organization. The House Ethics Committee eventually agreed with these criticisms, and fined Gingrich \$300,000 and reprimanded him for using tax-exempt contributions for political purposes.

The criticism directed at Gingrich's course and his agreements with Reinhardt and Kinnesaw State Colleges leaves the impression that arrangements such as these are unusual in academe. They aren't. In reality, colleges and universities will turn tricks for anyone with money, and about the only ones with money are corporations, corporate foundations, tycoons, and the Defense Department.

Using universities to further political or corporate objectives didn't start with Newt Gingrich. Beginning in the late 1970s, Hammermill Paper Company designed and funded courses in economics for high school teachers at Gannon University in Pennsylvania and Springfield College in Massachusetts. The courses presented economics from a pro-business perspective.

At Boston University (BU), the John M. Olin Foundation,³ founded and funded by an ultraconservative munitions manufacturer, underwrites a journalism course, "Reporting Military Affairs." According to a former BU dean, the course is designed "to make journalists more sympathetic to the military," rather than train future journalists.

Even foreign governments and fat cats have found that a small contribution goes a long way in garnering influence on college campuses. The U.S.-Japan Foundation,⁴ which is funded by Ryoichi Sasakawa, a Japanese businessman and nationalist who was jailed by the allies after World War II as a war criminal, has given grants for Japanese Studies programs to Duke University, the University of Kansas, the University of Arkansas, and other colleges. *New Republic* writer John B. Judis and *Agents of Influence* author Pat Choate maintain that this funding promotes pro-Japanese attitudes at universities.

Germany and France underwrite German and French studies courses at Harvard, Princeton, Georgetown, and other universities. And the Saudi government has recently given \$5 million to Harvard, which will teach classes in Islamic law.⁵

Some of the agreements between universities and their patrons are comical. A wealthy Texas couple, seeking prestigious titles so they could impress their friends, gave \$150,000 to a Harvard University-affiliated center and were thereafter appointed as lecturers at the Harvard Medical School, where they taught a psychiatry course titled "Love's Body in the Western World." Neither had a degree in psychiatry or psychology.

Most agreements between universities and their patrons have not been as harmless as the one at the Harvard Medical School. Some donors have tried and succeeded in influencing the direction of entire disciplines. For example, the John M. Olin Foundation funds programs of study in “Law and Economics” at several universities, including the University of Chicago, Yale, Stanford, Harvard, Columbia, George Mason, Georgetown, and Duke Universities. In *The Politics of the Rich and Poor*, Kevin Phillips, a Republican critic of the ultra-right, described Law and Economics as a neo-Darwinist “theology” reminiscent of the views of Herbert Spencer and William Graham Sumner. According to Phillips, Law and Economics preaches that “commercial selection processes in the marketplace could largely displace government decision-making.”⁶

The movement was an extremist, fringe philosophy until the John M. Olin Foundation began underwriting programs at universities, which sometimes pay students for attending Law and Economics seminars, provide research funding to professors who use a Law and Economics framework,⁷ and give monetary awards to students who write papers on Law and Economics. As a result of the Olin Foundation’s sponsorship, Law and Economics has become a mainstream legal philosophy, accounting for “roughly 25% of the scholarship in the Yale, Harvard, Chicago, and Stanford law reviews,” according to a study published in the *Antitrust Law and Economics Review*.⁸

Directly funding courses is just one way that corporations, millionaires and foundations wield influence at universities. Other ways include the funding of endowed chairs and the sponsoring of “research centers.” Contributions to universities for these purposes, as was the case with Gingrich’s course, are tax deductible.

Endowed chairs, also called *endowed professorships*, were first established by universities to honor nationally known scholars who taught at or graduated from them. For example, Harvard University’s Charles Eliot Norton Professorship of Poetry honors the university’s first professor of the history of art, who died in 1898. Other professorships are named for deceased alumni who bequeathed their estates to their alma maters.

Increasingly, however, endowed chairs are funded by and named for corporations, conservative foundations, and wealthy patrons rather than deceased scholars and alumni. The chairs have names such as the Bell South Professor of Education through Telecommunication (at the University of South Carolina); the Reliance Corporation Professor of Free Enterprise (at the University of Pennsylvania); the Carlson Travel Tour and Hospitality Chair (at the University of Minnesota); and the Lamar Savings Professorship of Finance (at Texas A & M), named for a defunct savings and loan whose operators were convicted of embezzling \$85 million.

Most of these endowed professorships come with strings attached. The initial agreement between the University of Pennsylvania and Saul Steinberg, head of the Reliance Corporation, stipulated that the Reliance Corporation Professor of Free Enterprise was to be “a spokesperson for the free enterprise system” and engage “twice a year in employee training or another aspect of Reliance operations.”⁹

The Carlson Chair at the University of Minnesota was endowed by the owner of the Carlson Travel Network,¹⁰ the university’s preferred travel agency. The endowment provides money for the Carlson Chair to do research on issues of interest to the travel industry. Arnold Hewes, the executive vice president of the Minnesota Restaurant, Hotel, and Resort Associations, praised this research funding, saying, “We’ll have data on who comes to Minnesota and why; why people fail to return; and other statistics that we need to make decisions about advertising, marketing, and promotion.”

Cal Bradford, a former fellow at the University of Minnesota’s Humphrey Institute for Public Policy, is critical of endowed professorships, saying that such funding determines “what universities will teach and research, what direction the university will take. If universities would decide that they needed an endowed chair in English, and then try to raise the money for it, it would be one thing. But that’s not what happens. Corporate donors decide to fund chairs in areas that they want research done. Their decisions determine which topics universities explore and which aren’t [explored].” Bradford’s contract at the University of Minnesota wasn’t renewed after he criticized university-corporate ties.¹¹

Research centers also allow well-heeled patrons to influence universities. A research center is typically funded by a single corporation or tycoon and bears the name of its sponsor. The University of Wisconsin–Milwaukee houses the Johnson Controls Institute for Environmental Quality in Architecture, which is funded by Johnson Controls, Inc., a manufacturer of electrical controls for heating and air conditioning. Johnson Controls provides \$200,000 a year to support the center, whose professors work on research projects of interest to the corporation. A company spokesperson said the purpose of the institute is to discover how “workers and students can be more productive when a building’s heating, cooling, lighting and sound systems are properly controlled.”¹²

Southern Methodist University in Dallas is home to the Maguire Oil and Gas Institute, named for and funded by Cary M. Maguire, the CEO of the Maguire Oil Company. The institute’s purpose “is to advance productive working relations with key industrial and government leaders, and with academic departments and programs.”¹³ The institute achieves this goal by producing reports such as “Oil and Environmentalism Do

Mix,” which laments that “instead of harmonizing oil and gas discoveries with environmental goals, [environmental laws] have resulted in an extravagant amount of federal land being placed off-limits to oil and gas leasing. Experience in Alaska, Michigan, and Wyoming shows that oil and gas activity, with proper care and supervision, can be compatible with the environment.” Such opinionated writings gain an aura of objectivity because they are produced at universities rather than corporate public-relations departments.

Most universities have similar centers. The University of Utah is home to the Garn Institute of Finance, which functions as a pseudonymous lobby group for the banks and savings and loans (S & Ls) that fund it. The institute is named for former Senator Jake Garn,¹⁴ who cowrote the legislation that deregulated the S & L industry, opening it to recklessness and fraud. The Garn Institute’s chairman is Richard T. Pratt of Merrill Lynch Mortgage Capital, who was President Reagan’s first head of the Federal Home Loan Bank Board, which oversaw S & Ls. In *The Greatest Bank Robbery Ever*, author Martin Meyer wrote that Pratt “had fired the guards and suspended the rules. If you had to pick one individual to blame for what happened to the S & Ls and to hundreds of billions of dollars in taxpayer money, Dick would get the honor without even campaigning.”

The University of Minnesota houses the *China Times* Center for Media and Social Studies, which seeks “humbly to promote China’s democracy.”¹⁵ The center’s funding comes from Taiwan, China’s arch-enemy, and it is named for Taiwan’s largest circulation, progovernment newspaper, owned by a member of the central committee of Taiwan’s ruling Kuomintang political party.

To help Taiwan achieve its objectives of embarrassing and isolating its enemy, the center sponsors conferences and research critical of China, and its associates pump out articles condemning China’s policies. On a sabbatical leave in Hong Kong, a professor associated with the *China Times* Center wrote numerous articles criticizing China’s impending takeover of Hong Kong. His articles assert that “the party will be over at one minute after midnight,” when the Communists come in. The professor boasts that his writings have probably put him on China’s blacklist.¹⁶

The funding of research centers, endowed chairs, and courses of study are just three ways that corporations, business mandarins, and foreign countries exert influence at universities. They exercise their influence in many other ways, too, such as hiring professors as consultants and contracting with universities for research. Although all of these practices are widespread, magazines and newspapers have been silent about corporate-university relations; instead, they have dwelled on the issue of “political correctness.” One explanation for the media’s silence about corporate

investments is that numerous media corporations, including Knight-Ridder, the *New York Times*, and the Belo and Cowles Corporations, have themselves invested money in universities. Many of their investments in academia have paid off. For example, at the University of Texas at Austin, the dean of the College of Communication ordered the chair of the Department of Journalism not to testify in a lawsuit against the owner of the *Dallas News*, the Belo Corporation, which had donated \$300,000 to the University of Texas's College of Communication. The lawsuit stemmed from Belo's alleged unfair business practices, which drove the competing *Dallas Times Herald* out of business. Maxwell McCombs, the journalism department chair, had studied the effects that the *Dallas News'* monopoly on popular syndicated features had on the *Times Herald*.

To rationalize his order, the dean dipped into his academic bag of tricks, saying, "There is an unwritten rule in the Department of Journalism, and the college in general, that says a professor should not testify in a trial against a newspaper."

There is another unwritten rule in academe, which explains why universities now attend to the interests of their well-heeled patrons rather than students. It's the old adage, "Whoever pays the piper calls the tune."

NOTES

1. Timothy Mescon, dean of Kennesaw's business school, claims that he recruited Gingrich to teach the class. Mescon's father, Michael, was a former dean and free enterprise chair holder at Georgia State before retiring to set up the Mescon Group, a consulting firm with ties to Gingrich; see Doug Cumming, "Newt Gingrich at Kennesaw State," *Atlanta Journal and Constitution*, September 19, 1993, p. F1. Kennesaw's business school also houses the Georgia Cobb Free Enterprise Chair.

2. Charles Walston, "Gingrich College Class Raises Questions," *Atlanta Journal and Constitution*, September 2, 1993, p. A1.

3. The John M. Olin Foundation is one of six conservative foundations that collectively have assets of about \$925 million and pour about \$40 million annually into conservative on- and off-campus think tanks, many of which promote the idea that political correctness, rather than corporate influence, is rampant on college campuses. The other foundations that fund the think tanks are the Sarah Scaife, Smith Richardson, J. M. Earhart, and Lynde and Harry Bradley Foundations.

4. *The Center for International Security and Strategic Studies Annual Report 1990* (Mississippi State, Miss.: Mississippi State University, 1991), p. 2.

5. "Saudi Gift Sets Up Islamic Law Center," *New York Times*, June 11, 1993, p. B8.

6. Kevin Phillips, *The Politics of Rich and Poor* (New York: Random House, 1990), p. 65. Phillips further relates, "One intellectual frontiersman,

Richard Posner, University of Chicago law professor turned federal appeals court judge . . . suggested making a market for babies so that it would be easier for couples to adopt. A second prominent Chicago legalist, Richard A. Epstein, leader of the movement's 'economic rights' faction, deplored most government economics regulation as unconstitutional." Phillips contends that the Law and Economics movement was a fringe ideology before Reagan's inauguration, but has since moved into the mainstream.

7. John M. Olin Program in Law and Economics, *1989-90 Annual Report* (Stanford, Calif.: Stanford Law School, n.d.).

8. Nan Aron, Barbara Moulten, and Chris Owens, "Economics, Academia, and Corporate Money in America: The 'Law and Economics' Movement," *Antitrust Law and Economics Review* (1993): 27-42.

9. From the Chair, Senate, "Documents Relating to the Endowment of the Reliance Professorship/Deanship," *Almanac*, January 27, 1981, p. 3. As a result of faculty protests at the University of Pennsylvania, the wording of the agreement between Steinberg and the university was eventually changed.

10. Mike Kaszuba, "Critics Say Gift Influenced 'U' Choice of Travel Agency," *Minnesota Star Tribune*, July 9, 1990, p. 3B.

11. Telephone interview with Cal Bradford, February 12, 1992.

12. Johnson Controls, Inc., *Company Fact Sheet* (Milwaukee: Johnson Controls, 1993), p. 2. James Keyes is also a trustee of Marquette University.

13. *Graduate Bulletin of Southern Methodist University* (Dallas: Southern Methodist University, 1992), pp. 101-102.

14. Steven Pizzo, "Utah Officials Hit on S & Ls" *National Mortgage News*, March 23, 1992, p. 1.

15. *Messenger, Report from the China Times Center for Media and Social Studies*, August 1, 1990, p. 1

16. Brenda Rotherham, "China to Offer Veneer of Reform, Scholar Says," *Minneapolis Star Tribune*, October 8, 1989, p. 13A. In May 1991, Taiwan's president, Lee Teng-hui, terminated the "Period of National Mobilization for the Suppression of the Communist Rebellion," which reduced the level of hostility between Taiwan and China.