

Remarks by

Hugh D. Galusha, Jr.
President
Federal Reserve Bank of Minneapolis

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PPB AND HIGHER EDUCATION

It takes considerable temerity to talk to an academic audience about a subject that traces its lineage to the Department of Defense. Or at least, that is, as an advocate. If "Planning, Programming, Budgeting" arouses too many Orwellian spectres for the humanists among you, think of the acronym as standing for "Politics, Pedegogy, and Balance." They are interchangeable as applied to higher education.

My talk tonight rests on these assumptions:

1) Colleges must periodically define their objectives. I am using college as a term of convenience only. (These remarks, at least from my point of prejudice, apply to all post secondary institutions.)

2) Each college is an operating system of a number of parts. Whether the synergy is positive or negative depends on management.

3) No college is free standing. How other colleges within the area of primary support define their objectives and go about attaining them is important to understand. And if they are understood, the case for coordination is irrefutable. State lines, sectarian biases, and institutional pride are luxuries no one can afford any longer.

4) Colleges are now the most politically charged institutions in American society. They are where the action is. They are political in the broadest possible sense. The relationships and attitudes of all the people in the college world -- students; faculty; administration; alumni; trustees; and maybe most importantly right now, those who pay the bills -- donors, parents, and taxpayers, must be understood and balanced.

5) Educational objectives and budgetary imperatives have to be

kept on separate but parallel tracks. One can not define the other. How the money is spent should be ordered solely by an evaluation of the educational objectives in the light of the sum available. The sum available is always finite and measurable.

Why are colleges suddenly on the defensive?

All institutions develop their own mythology and one of the most enduring myths about colleges has been that of the cloistered halls where students and faculty reflect upon cosmic problems in a leisurely detached fashion, slightly to the left and considerably above the real world. It suited everyone's purpose to foster and protect the legend, which is not unlike the story about the swan who appears to be floating slowly and serenely across the surface of the placid pool -- but whose feet, concealed from the eye of the viewer, are going like hell all the time.

But no more. The pool has been drained. And surely one of God's most awkward creatures is a walking swan. Why has it happened? Quantity, quality, and cost are the culprits. The quantity of students, of supportive structures, and of curricula additions; the quality of the student and the educational experience; and the cost of the whole process to parents, taxpayers, and donors.

A study by the Federal Reserve Bank of Minneapolis of the bricks and mortar additions contemplated by universities and colleges in the Ninth District (Montana, the Dakotas, Minnesota, Northern Wisconsin and the Upper Peninsula of Michigan) was released in June, 1968. The total is 653,000,000 for five years ending in 1970. Factor a lineal projection with your own multiple for price changes and the total is enormous. No amount of generalized protestation about the humanistic values of the educated man, or even

about the enhancement of his potential economic contribution to our society is going to placate the contributor, whether he be donor or taxpayer. Too often he equates the threats to his value system from a world to which he feels he can no longer relate with long hair, campus dissent, and the intellectual community. And he then expresses his resentment with his pocketbook. I have little patience with the concept of the "silent majority"-- history, I suspect, will treat this phrase as one of the more unfortunate and divisive of demagogic phrases. Yet it has great appeal, for each of us feels he has been a singular victim of the dialog of the deaf in which we appear to be engaging.

Where will the money come from? Those educators who remember the good old days of the mid-sixties, when Washington seemed an inexhaustible source of financial support, can expect no quick surcease when the Viet Nam engagement finally exhausts itself. Suddenly education finds itself competing in a whole new league. Every government must shape its fiscal policy in ways that at least roughly conform to the list of priorities maintained by a majority of its constituents; given the length of the list and the price tags on such competing items as environmental control, housing, geo-politics and national defense, education is understandably having a difficult time.

Nor can the foundations be relied upon to bail out higher education. Fiscal restraint happens to have coincided most unfortunately with an explosion of need; need which requires financial support of programs that run the gamut from medical research to preservation of the wilderness. Stripped of government support, these programs have turned to the foundations, many of which are now fully committed for the next two years. The Revenue

Act of 1969 was no help either.

Tuition, individual contributions from alumni, support from unrelated well-wishers, whether business corporations or individuals -- these sources all have practical limits, especially tuition. Out of each tuition increase must be financed an increasing share of scholarship aid, if it is a private college; if it is a public institution, the regents must brace themselves for a swelling chorus of outrage from students and parents who believe education should be a free good.

Pressures on the expenditure side are just as acute. Even if the operating pattern of a decade ago had been retained, the goods, services, and salaries to support it would cost enough more today to trouble most colleges. But to this pressure have been added the enormous costs of curriculum additions and expanded student aid programs forced in large measure by the new political awareness of college constituencies.

And in the recounting of the trials of the American college that phrase "political awareness of college constituencies" deserves at least a footnote. The Minneapolis Star no longer reports campus rebellions as isolated stories, but lumps them like baseball scores in a department. These, though, are only the obvious, and often aberrant, surfacings of a much broader and more serious challenging of the traditional ways colleges have made decisions.

To this list of problems, each of you could probably add of number. My list is probably sufficiently long to have destroyed whatever euphoria a cocktail hour and the dinner may have induced. Are there any answers? I certainly think so. Central to the panicky feeling of crisis is the assumption that the way out for colleges must be found within the historical

institutional patterns. If this assumption is correct, most private liberal arts colleges are through, and all public institutions will be in deeper trouble than they now are.

Answers have to be found outside these old patterns. The two critical areas to examine are management and governance, and they cannot be separated.

Servan-Schreiber's book, "The American Challenge," should be required reading for all serious supporters of higher education. In his book, this distinguished Frenchman writes wistfully about the American managerial skill. The ability to organize enterprises; to set goals; to analyze a problem and sort out alternatives and priorities; and above all, the ability to make decisions -- to the ability to manage large complex undertakings he ascribes the success of America.

Obviously, he was not talking about American colleges. There is an exquisite irony in the fact that even those institutions which count among their faculty professors who serve with great distinction as management consultants to the most prestigious of the American corporations are run just as badly as the next. It's a little like going to the Mayo Clinic only to find your internist is out with the flu.

Rather than give you a didactic list of "you shoulds," let me share with you the experience of the last eighteen months at Carleton College as a not too atypical example of how one college is attempting to assure its survival. A detailed description of the college would serve no purpose, for as a fascinated observer of colleges in general, I think there are enough denominators common to most to make their example instructive. But first the operating background. As 1969 opened, it became obvious we

were approaching our first deficit in years. Students and faculty were agitating for representation on the Board of Trustees. Our president, John Nason, one of the most distinguished of American educators, would reach retirement age in June, 1970. What to do about this constellation of unhappy events? The first decision, and perhaps the most important, was to depart from the traditional compartmentalization of the college community. Two groups, the Planning Committee, and the Search Committee, were set up by the Board of Trustees. The first was composed of four trustees, four faculty, four students, and one alumni representative, and four administrators. The Search Committee was composed of four trustees, four students, four faculty, and one alumnus.

The President was designated chairman of the Planning Committee, and a Trustee as chairman of the Search Committee. All members had equal voting rights. Both were to report back to the Trustees -- the latter by December 31, 1969, and the Planning Committee in sufficient time to permit final action at the May meeting of the Board in 1970.

The Planning Committee was charged to define the mission of Carleton, to develop a pattern of governance, and to devise a process of continuing self-inquiry for the college. This last was the real essence of the charge. Whatever products might result from its deliberations (e.g., a balanced budget, a governance pattern, a sense of the direction of liberal education, etc.), developing a continuous process for the equating of institutional aims with the twin imperatives of constituency demands and the budget was the most important goal.

A word about the approach of the Planning Committee. Task forces, involving representatives of the same constituencies, were set up to tackle governance, student affairs, and academic affairs.

The Search Committee procedures might be useful to some of you, but I don't think they are germane to this talk. Sufficient to say that the Search Committee was a great success. Far from a frustrating and unhappy experience with a scarcity of candidates as we had been led to expect by the public anguish about the miserable life of the college president (reinforced, I must admit by our own fears), we had a number of first-rate candidates who were all exciting people to interview; and we ended with with an extraordinary young man named Howard Swearer whom we stole from the Ford Foundation.

Literally some thousands of manhours have been spent by the members of the Planning Committee and its staff committees. The process has been painful at times, and always hard work. Each of us, and I include the Trustees who have been involved in the effort, has found that general experience and a sence of conviction are really not enough. An incredible number of words have been said and read. At the heart of the process has been a staff effort by a core group of the President, the Treasurer, the Dean or Academic Vice President, and the Vice President for Development. There must be a work force to generate the "white papers," the minutes, and the agenda. This was it.

I mentioned painful. Change, as Dr. Karl Menninger has frequently observed, always involves a loss. Eric Hoffer refers to it as "The Ordeal of Change." And it is traumatic. The only real surface crisis we faced was the petition from a large faculty group appealing for a moratorium on the efforts of either the Planning Committee or the Search Committee -- ostensibly because of a fear of conflict, but I suspect because of the unsettling nature of the questions being asked in such profusion. Beneath

the surface were, and are, the agonizing questions of identity and role.

Why four years for the undergraduate years? Are the undergraduate years supposed to be free-standing, or are they now just part of a track that finishes in graduate school? Should students participate in curriculum decisions and have the right to force reconsideration of academic decisions? What justification is there for the departmental structure of the faculty? Is the way students live and behave a matter of their provenance, or is there still a place for loco parentis by the institution? Are these living conditions, in fact, a part of the educational process? Is there a definable and permanent locus of power in the college? How are educational priorities set so that in a time of financial shortfall adjustments can be made in a rational pattern? And, of course, that perennial question: What is a liberal education?

Where have we come out? First, we balanced the budget. The administration prepared a list of options, at the request of the Planning Committee. These options were discussed in the Committee, and after revision sent to the various task forces for response.

Second, there emerged universal recognition by all those involved that running a college successfully is the most complicated, fascinating, and frustrating job in Christendom. As one of the students, a young lady who contributed greatly to the discussions, observed tearfully one day, "I'm learning far more about Carleton than I want to know."

Third, and this is a personal observation only: (a) the selection of Trustees at Carleton over the years has been providential, even though there has been only the roughest of designs. Far from being vestigial appendages to the Development Office, Trustees can be, even must be, the vehicles for adjustment. Diversity of race and background, with but a

single requirement of talent of some sort, is essential. The presence of professional corporate managers has been especially helpful in analyzing the management problems.

Fourth, there must be an ultimate authority -- a place of yes/no, however sparingly exercised. Almost paradoxically, the greater the knowledge gained about the workings of the institution and the demands of the various constituent elements which may sometimes conflict, the more insistent becomes the pressure for an ultimate authority. I'll leave it to the experts to classify this. Maybe it's the father image -- I don't know. Sufficient that it exists. Whether it be regents or trustees, they are needed; and the more open the system, the greater the need. Students, faculty, and administration all seem to have acknowledged the need for a place of ultimate appeal.

Fifth, there must be a place, or places, where issues facing the college can be discussed by informed people. And informed means they have been provided with background papers they have studied. This, in our case as in many other institutions, means a central deliberative body which, in our case, we call the college council. It will involve three trustees, seven faculty, four administrators, seven students, and one alumnus. The President, as a matter of practical and acknowledged necessity, will be Chairman. There will be three standing committees -- academic policy, student affairs, and administration. Assured of a forum, pressure to change the composition of the Board of Trustees has disappeared.

Sixth, there must be a way to force reconsideration of a council action before recourse to the Trustees; a right of veto possessed in equal measure by the President, the faculty, and the students regardless of the subject matter.

Will this particular scheme work? I really don't know. Will it, or something like it, extend our collegiate life beyond the obvious horizons of the existing system? Here my answer is an unequivocal yes. For this time and this place, we believe we are developing a process that will make adjustment possible.

To summarize then -- yes, Virginia, higher education can survive. It can be managed. But only through management can it survive.