

Market overreach: The student as customer

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Abstract

This paper explores the market model's influence in redefining the relationship between teachers and students within the college and university. Viewing the student as a customer rather than as a "worker" or "apprentice" is argued to have created several problems. The case is made that with market forces leading to the substitution of purchased commodities for "production for self," the role of the student in actively participating in the learning process is threatened. Several trends, including grade inflation, shortened contact hours, and the redefinition of study time are offered as evidence that the non-salable components of higher education are declining in importance.

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JEL classification: A14; D13; I21; L31

Keywords: Grade inflation; Household production; Market failure

By making something nonsalable we proclaim that it should not be conceived of or treated as a commodity. When something is noncommodifiable, market trading is a disallowed form of social organization and allocation. We place that thing beyond demand and supply . . . advertising and marketing. Radin (1996, p. 20)

1. Introduction

Concerns about the lessening separation between higher education and the commercial sphere have tended to focus on the trend toward corporate sponsorship and control of research activities.¹ The effect that such changes have been alleged to have on the students has been, if anything, negative in nature, as star professors are channeled into well financed research and less qualified faculty are left with the "burden" of educating future generations.

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¹ Recent considerations of the market's influence on university research are considerable. See, for example, Perelman (2002, chapter 3) and Washburn (2005).

By this way of casting the increasingly cozy relationship between commerce and higher education, the student is only contingently affected as resources once available to the teaching enterprise are suddenly allocated to different uses. Less considered has been the more direct effect of the spread of business practices and business values into the university, namely, the trend to think about the student in much the same way that business establishments think about their “customers.” And while the increasing influence of the business model in the realm of research holds repercussions almost exclusively for the very top research institutions, the increasing influence of this model in the educational process itself holds repercussions for virtually all institutions of higher learning, from the community college to the large research university.²

If we think of “consumption” in the very broadest sense – as those activities one engages in when not at work – then it is noteworthy that the trend led by the United States has been in the direction away from “learning how to consume” and toward “learning how to work.” Humanities departments at nearly all colleges and universities have seen a precipitous drop in majors over the last 30 years while more professionally focused departments have experienced gains. But at the same time that this movement away from consumption and toward work has been going on, the trend has been the reverse when it comes to how the student is regarded while enrolled at the institution. Thinking about students much as one thinks about employees or apprentices has not disappeared, but is clearly in retreat.³ The re-casting of students as consumers or customers has been going on for the past three decades. In short, and at the risk of simplifying, there has been a trend away from regarding students as “workers who are being taught to consume” toward regarding them as “consumers who are being taught to work.” While both the subject and the object of these trends are worthy of extensive consideration, it is only the change in the subject—the change from “student as worker” to “student as consumer” that will be my focus in this paper.⁴

In Section 2, some simple analytics will be offered in contrasting the “student as worker” from “student as consumer” and evidence offered suggesting that the latter of these has been growing in strength. Section 3 will describe the characteristics of the professor–student relationship that are not shared by other buyer–seller relationships and will describe the unintended consequences that can be predicted from thinking of students as consumers.

2. Reversing roles

While references to “student as customer” long predate the 1990s, it appears to have been the movement toward Edward Deming’s total quality management (TQM) that most brought about

² As suggested by my mention of “community colleges,” the focus here will be principally on the United States. While the US “neoliberal” influence is most strongly felt in the commercial sphere, its influence in reframing non-commercial spheres is considerable as well.

³ For Thorstein Veblen, “The student’s relation to his teacher necessarily becomes that of an apprentice to his master, rather than that of pupil to his schoolmaster” (1957, 13). With Veblen’s attention being on the graduate student seeking to one day be occupying the professor’s role, the “master–apprentice” description was appropriate. The prototypical undergraduate student under consideration here, however, more often than not takes classes outside of her eventual employment. The apprentice relationship would thus only occasionally apply.

⁴ While it might seem that the critical reflection on problems with the “student as customer” would tend to originate with faculty in the liberal arts, those in the professional schools have the advantage of enjoying a clearer “master–apprentice” link to their students. For a particularly strong critique of “student as customer” by a medical school professor, see Albanese (1999). For a strong critique by business school professors, see Brennan and Bennington (1999).

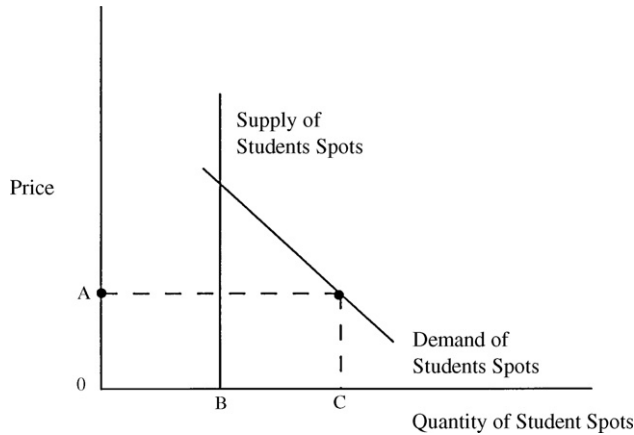


Fig. 1. Supply of and demand for student spots.

the changed perception among higher education administrators.⁵ From 1991 to 1996 the number of US colleges and universities that reported explicitly using TQM rose nearly three-fold, from 78 to 200.⁶ Though it was obviously administrators rather than faculty that promoted the new way of regarding the student, the shift in perspective was not met with unqualified acceptance in the administrative ranks. As a supervisor in the Registrar's Office of an Australian university reports, of 13 staff members interviewed, "four respondents associated ['customer'] with negative connotations and of the remaining nine, a further four felt the word was 'inappropriate,'" and goes on to note that "[t]he negative connotations associated with the word . . . concerned its implications that there was a shallow relationship between the administrative staff member and . . . student" (Pitman, 2000, pp. 169–170).

A use of simple demand and supply analysis can help to shed some light on possible ways in which the emerging "student as customer" model may be having effects at the administrative level on students accepted and tuition rates charged. Fig. 1 is intended to pertain to a single university. What the tuition will be is not subject to simple equilibrium analysis, since the differentiation of what each university offers gives each the discretion to select from a range of possible tuition levels, with there being nothing necessarily optimal about that tuition level where demand equals the number of spaces available. The roles being assigned to the university and its potential students in this "supply and demand for student spots" analysis are reflected in the labels attached to each curve. The demanders are the students and the lower the tuition the greater is the number of students wishing to attend the university. The supply of student spots is shown as perfectly inelastic, the assumption being that the number of places in the university is fixed and will not be affected by the tuition rate.

At the tuition level of A that is shown, C students wish to attend but only B will be accepted. Let B represent not the number actually applying – a number that would exceed this amount – but the number of applicants who would choose to attend if accepted given the tuition charge of A and given the acceptance decisions of other universities. Administrative officials cannot be

⁵ For strong advocacy statements on TQM within the university, see Chaffee and Lawrence (1992), and Freed et al. (1997).

⁶ Delmonico (2000, p. 12).

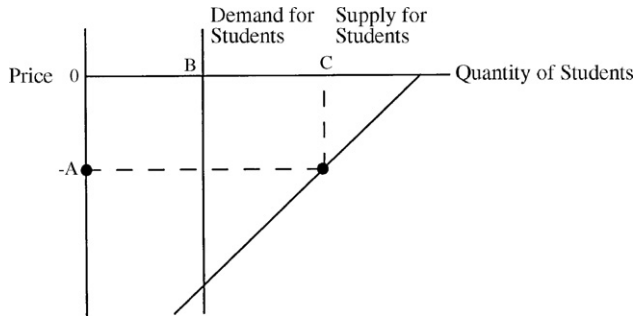


Fig. 2. Supply of and demand for students.

certain just how many of those applying would attend if selected, but the assumption here is that their decision to charge A rests on the belief that there are more who would like to attend the university than there are spaces, and that a selective admissions policy will thus be necessary.⁷

While the flow of payment from student to university naturally suggests that the consumer interpretation rather than the worker interpretation is the more reasonable, there are other characteristics of the student's function (to be developed further shortly) that make the worker interpretation seem the sounder. Fig. 2 is a re-casting of Fig. 1 with the role of demander and supplier switched. It is now the university that is out in the "labor" market demanding students and it is the potential students who are supplying their services in this market. What sets such a labor market apart from conventional labor markets is the negative wage, with money flowing from the worker (student) to the employer (the university) rather than the other way around.

While the positive price shown in Fig. 1 makes it the more intuitively plausible way of framing the student–university relationship, the departure of tuition from the highest level that would still assure all spaces are filled makes Fig. 2 in some respects the more realistic. It is hard to think of examples of industries in which a Fig. 1 sort of portrayal of events can be expected to prevail. It is true that sellers sometimes will allow price to be at a level where more is demanded than supplied (e.g., tickets to see a hot sports team, popular restaurants on weekend nights), but the difficulty of raising price and the sense of unfairness that it conveys stand as the main explanations in such cases, and one would not expect to see excessive demand in the long-run as prices are raised or capacity increased. Moreover, when more is demanded than is available, discrimination based on the attributes of the potential customers seldom enter into the decision of who shall be the fortunate ones whose demands are met. First come, first served (or some variation on this) is the long-standing convention, not any assessment of what in the prospective customer's past sets him or her apart from other potential customers.

Fig. 2 has the advantage of allowing the traditional tuition practice to serve as an example of a widely encountered social practice, namely, the payment of an "efficiency wage" higher than required by market conditions but nonetheless sustainable because of the advantage that it provides to employers. As Gregory Mankiw explains, according to this theory:

Firms cannot perfectly monitor the work effort of their employees and . . . employees must themselves decide how hard to work. Workers can choose to work hard, or they can choose

⁷ For the system as a whole it is possible (1) that every university is selective in this way, or (2) that some are selective and some not. In the latter case, all who wish to attend college can attend, just not necessarily at the college of their choice.

to shirk and risk getting caught and fired. The firm can raise worker effort by paying a high wage. The higher the wage, the greater is the cost to the worker of getting fired. By paying a higher wage, a firm induces more of its employees not to shirk and, thus, increases their productivity (Henderson, 1993, p. 148).⁸

Monitoring student work is, of course, not easy. As surely as efficiency wages had advantages for employers, so too might below market clearing tuition rates (or, in terms of Fig. 2, a “wage” less negative than required by market forces) have provided greater incentives for students to study on their own.

A movement away from Fig. 2 and toward Fig. 1 in our way of thinking about students can help to explain two practices that have been on the increase in US universities for a number of years. First, there has been the dramatic rise in advertising and marketing, from practically non-existent 25 years ago to commonplace today. Advertising of jobs has remained almost strictly informational, having more in common with 19th century practices than contemporary consumer advertising. Precisely why employers have steered away from more persuasive attempts to attract applicants is more than can be taken up here, but at least one possibility is worth noting. The efficiency wage practice is one device for assuring that all the jobs that are available will be filled. Paying the wage at which the number wishing to work is exactly equal to the number of jobs available suggests that periodic shortages could occur and raises the attractiveness of making sure that the existence of a job is in the public eye. Similarly, to the extent that tuition has the characteristics of an “efficiency wage,” university admissions officers are relieved of the worry that fewer qualified students will ultimately wish to attend the university than there are spaces available. Many explanations for rapidly rising tuition rates have been offered.⁹ One possibility suggested by the considerations being raised here is that administrators who favor Fig. 1 view of the student over Fig. 2 view, might in turn be more inclined to favor a rise in tuition (and corresponding drop in the difference between supply and demand) and might thus also be more inclined to seek to push the demand curve rightward.

A second practice that is on the increase is price discrimination.¹⁰ Though always presented as “needs-based” assistance, it is interesting to consider how no similar practice is seen as acceptable in labor markets.¹¹ It might be argued that any two workers receiving the same pay are “equally needy” since income is usually a rough proxy for need. But the very idea of offering different wages based on, say, property holdings or number of dependents is not generally accepted in contemporary society. “Equal pay for equal work” looks strictly at the work, not at other possibly relevant characteristics that might distinguish between employees. Differential pricing of students viewed as roughly equal apprentices just entering the world of work might accordingly have been viewed as less acceptable.

⁸ For a critical look at the implications of “efficiency wage” practices, see Philip A. O’Hara (1999, pp. 256–259).

⁹ See, in particular, Ehrenberg (2002).

¹⁰ As reported by the National Association of Independent Colleges and Universities, “Although published tuition has increased faster than the rate of the Consumer Price Index, net tuition (after grant and scholarship aid) has increased at a much slower rate than the published tuition” (1997, p. 5). How the extent of price discrimination can be measured is problematic, but this strongly suggests a rise in the practice. For the spread between stated price and average price paid suggests a wider range of prices.

¹¹ In addition, something of an illusion may be at work in even speaking of there being an increase in “needs-based assistance.” With stated tuition prices rising far faster than average tuition price paid, it would be more accurate to speak of a roughly unchanging effective tuition for lower income students over time and a higher price being charged those “able to afford it.” Rather than the needy getting “more assistance” the affluent are simply paying more.

3. Unforeseen problems

If the university provided an education without also providing publicly available evaluation of its students – a policy that makes sense for “learning centers” and test preparation services – the ethical problems associated with treating education as a commodity would be greatly decreased. Under such conditions, with no certification of accomplishment taking place, the amount of effort put into the learning process and the extent of accomplishment would only matter to the student, and the issuance of a degree would not be necessary. Indeed, while the worth of a university education would plummet if there were no way of signaling one’s accomplishments, the use of services provided at learning centers or test preparation centers might be something that the recipient would rather keep private. The public goods nature of such services are simply insignificant or altogether absent.

As with information about a particular grade, the desired consequence of the evaluation of a student – a university degree – fits poorly into the characteristics that commodifiable things possess because of its public goods characteristics. The degree provides information about the individual at no cost to those desiring such information. In addition, the degree fits the private market model poorly since it is inalienable, something that cannot be sold by the one receiving it. While universities “grant” degrees (note the terminology) even the most extreme market fundamentalist would take offense if someone spoke of her institution as being in the business of “selling degrees.”¹²

Even those choosing to stress the public goods component of an education are not always able to see the trouble created by the market model. As a university administrator said in reference to his institution’s policy of making failing grades public information, “the credo ‘the customer is always right’ becomes harder to live by, or rather it would be more accurate to say, ‘which customer?’ In administering policies, the interests of one customer group can sometimes take precedence over . . . another customer group” (Pitman 169). To refer to the “the general public” or “future potential employers” as competing customers can be an innocent metaphor but increases the risk of overlooking the fact that such other interested parties are generally recipients of a public good. If “customer thinking” is taken literally, it will be no contest. The interests of the customer who hands over money will win out over the interests of the metaphorical customers who make no similar private contractual claims on the services of the university.

When students first were referred to as “customers” at my institution about 10 years ago, reaction among faculty was overwhelmingly unfavorable. There were early informal assurances given that students should be thought of as customers only in certain non-educational spheres (e.g., consumers of food, shelter, parking spaces). An implicit understanding prevailed that the student was fundamentally different from a customer. But in only a few years, the proverbial slippery slope has led to the person sitting in the classroom become every bit as much the “customer” as the one trying to get decently fed, housed, and parked.¹³

¹² As Margaret Radin notes, the tradition of placing the recipient’s name on the degree is one unquestioned device for guarding against “alienability” (1996, pp. 18–19). Were the names not included, there might indeed be a black market for degrees.

¹³ Here is some casual empirical evidence in support of Walzer’s (1983) thesis that it is urgent to restrict markets to particular spheres, a “contagion” being possible if it is allowed to make inroads where it is not generally desired. For a view contrary to Walzer’s, namely, that “shades of gray” are indeed possible regarding the extent to which markets can be adopted, see Radin (1996) and Folbre (2001).

As noted earlier, the total quality management movement of the early 1980s likely facilitated the changing view of the student in the eyes of administrators, but according to [Riesman \(1998\)](#) student consumerism began with the student empowerment movements of the late 1960s and gained strength over the decade that followed as universities were increasingly forced to depend on tuition payments as other funding sources declined. By this particular account, the student recognizing her consumer status was a student assuming more power, and any opposition on the part of faculty had more to do with reaction to a loss of power than to higher principles.

Something, however, seems to be missing from such an account. To move from a position of being obligated to convey the truth to a position of serving customers is to assume what [William Leach](#) has called a “broker’s” perspective (1993, chapter 1). The newly defined professor cared about the customer but only cared about the material being conveyed to the extent that it pleased the customer. If the truth is pleasing, so be it, but if it is not pleasing, so much for the truth. A broker carries no non-negotiable conception about the nature of the product that he brings into the market, caring instead only that it sells.

Professors may indeed be diminished in their professional status by being cast as facing customers. But overlooked is the possibility that the student may feel diminished as well. The experiment of one community college to offer consumer satisfaction guarantee is reported to have led a majority to oppose such a measure, and caused them, in the words of one, “to think of college more like a ‘Burger King’, where you can have it your way” ([Delmonico, 2000](#), p. 11). Except in the case of those institutions with completely open admissions, having the money to pay for one’s education is not all that’s required to be admitted to a school. Moreover, since flunking out is always possible, to remain a student and eventually earn a degree signals further that one had something besides money that made the degree possible. While “money” is an impersonal asset that sellers require in exchange for a good or service, the attributes that enable one to be accepted as a student and to be a successful student who receives a degree are personal in nature. They speak favorably of the person in a way that the ability to pay does not. In short, being a student of a college can confer more status and self-respect than can “being a customer” of the same institution.

The focus of critics on the political left in the years prior to the drift toward the consumer model of education generally failed to see the changes that would occur. Writing a decade prior to the introduction of Total Quality Management, [Bowles and Gintis \(1975, chapter 8\)](#) portrayed the regrettable shifts that were occurring as having to do with the end product of education. The control of business on the content of education and the corresponding decline of liberal and civic education was their main concern, rather than the role of the student while at the university.¹⁴ It was implicitly assumed that students would not have chosen more applied, career-oriented classes had they been given a choice. But the percentage of college freshmen viewing the “development of a philosophy of life” as important fell from 82% to 42% between 1968 and 1996, and the percent viewing “keeping up with political affairs” fell from 52% to 30%. In contrast, the percentage seeking to “be well off financially” rose from about 40% to 74%. This certainly suggests that some of the movement toward applied subjects was at least in part “consumer driven.”¹⁵

¹⁴ For a book with a similar thesis, namely, that students were being deprived of what they would choose if only they had more power, see [Dugger \(1974\)](#).

¹⁵ Source of data is [Macionis \(1999, p. 81\)](#), which had as its sources [Braungart and Margaret \(1988\)](#) and [Sax et al. \(1996\)](#). The direction of causality is of course complex. A “sour grapes” strategy of adjusting to the non-availability of something is not uncommon. It is thus possible that the pragmatic, money oriented students of the past two decades were mainly adapting to the fact that financial success is the only reasonable criterion of success left open to them. For more on “sour grapes” and related strategies of adapting to constraints, see [Jon Elster \(1983\)](#).

While Bowles and Gintis simply did not choose to take up the question of the professor–student relationship, the direction that the left in the United States has taken in the years since may have to a certain extent fed the drift toward the consumer model. Thus, for example, marketing professors [Bagley and Foxman \(2002\)](#) borrow from liberationist language when they speak of “empowering students” while claiming that viewing students as customers is “the belief behind a radical approach which allows students to drive the course.” As John O’Neill puts it, while “many on the libertarian right defend the extension of markets to cultural and educational fields that hitherto have been exempt from market embrace, . . . they have been abetted by post-modern radicals who embrace the strong aesthetic versions of the concept of autonomy and see any authoritative standards as social power constraining the autonomy of individuals” (1998, p. 85).¹⁶

And to make the political confusion even more interesting, there is the cultural right, inclined to attribute the regrettable changes that they observe not to the libertarian right but to the cultural left. So, for example, there is the claim that “The rich intellectual fare of Western high culture has been replaced by a thinner mix of multi- and popular culture, and the arts and sciences have given way to vocational training such as business majors and education, and to gut subjects such as cultural anthropology, women’s studies and criminal justice” ([Kernan, 2002](#), p. 40). A recurrent theme of such cultural conservatives is that a leveling process has occurred at the university level, a claim that fits poorly with the often-noted fact that incomes are becoming ever less equally distributed.¹⁷

In warning against viewing students as just “customers or clients,” Tyler Cowen notes that universities operate differently than retail establishments, where customers simply buy a product and leave. As he notes, “[n]ot only do students interact with other ‘consumers,’ but they collaborate with the salespeople – the faculty – in ongoing efforts to improve the ultimate product of education.”¹⁸ It would be inaccurate to infer that education is alone in having non-monetary costs associated with its acquisition. To properly use one’s car or computer, to derive any utility from a book or newspaper, and to put shampoo or sun tan lotion “to work” require costly effort on the purchaser’s part. Education, however, appears to be in a class by itself in requiring the demonstration of abilities prior to being accepted as a “customer” and requiring the putting forth of effort before one can receive what one is ultimately seeking, the diploma. With the possible exception of insurance coverage (where, for example, poor driving can lead to termination), in none of the other instances where the buyer bears costs other than monetary payment to sellers does the seller have any stake in knowing that the buyer carries out the work necessary to gain the benefits that the purchased item is capable of providing. A Ziggy cartoon in which the owner–operator of Mom’s Diner inappropriately orders patrons to finish their peas illustrates the absurdity of imagining the opposite.

The advance of the market carries with it the substitution over time of market production for “production-for-self.” This can be attributed to two separate forces. First, as an economy grows, there is a natural increase in specialization as one elects to substitute hours spent cleaning one’s own house, making one’s own food, and sewing one’s own clothes with hours spent earning money that in turn purchases these items within the marketplace. Second, the asymmetric powers of persuasion give an advantage to marketized goods, as advertising tips one’s preferences toward goods in the market and away from what one might have been able to produce on one’s own.¹⁹

This same trend can be observed in the changes a single product might undergo over time. The products we buy from food stores cost more but require less time from us as the sellers manage

¹⁶ See John O’Neill (1988, pp. 93–95) for more on this basic theme.

¹⁷ See, for example, [Gottfried \(2002\)](#).

¹⁸ Quoted in [Walsch \(1998\)](#).

¹⁹ See [George \(2001, chapter 4\)](#).

to have our costs be manifested in dollars that they receive rather than in effort that we exert in preparing the food.²⁰ With education, as with no other good or service, there are complications and ethical conundrums associated with this process. A university can indeed offer food and shelter in greater relative amounts over time as the students freely choose to “pay” more while not cooking their own food and not living at home. But for education itself, any transition is much more complicated.

As university administrators have increasingly identified the student as a customer, we might expect to see a lessening of the non-monetary costs asked of the student. Two trends suggest that something like this might indeed be occurring. First, there is the strategy of simply claiming that the act of learning is not at all in the nature of “work” and if properly conducted by dedicated teachers will actually be a quite pleasant experience. It might be argued that there is nothing problematic about this if the assignments required of the student are not compromised as a result. This might, by such an account, represent nothing more than a marketing coup, the act of getting one’s customers to view that which seemed like a cost to be re-conceptualized as a benefit. Troubles only arise if the study time changes as a consequence in a way that compromises the end product. To take one example that has to resonate with all academic authors, lowering the “effective cost” of a book can be carried out by writing in a less demanding way. More will be willing to read (and maybe even buy) one’s work if reading is “fun.” But of course there are ways to accomplish the goal while unacceptably altering the product itself. It may be possible to write economics works that are less demanding than the norm. It is far easier, however, to write works that one calls “economics” but that have ceased to be so by any reasonable account. And by the same line of reasoning, the act of making study time for students less demanding may be accomplished by truly lowering costs without altering content, but then again, may not be.

Second, there is the competitive strategy of changing the assessment policy in evaluating how well the assignment has been accomplished. This is best known as simple “grade inflation,” and has been a problem within higher education over roughly the same period when schools have been most intensely concerned with becoming more competitive. Concerns with the trend have been expressed across the political spectrum. Writing in the liberal periodical *Dissent*, philosophy professor Steven Vogel argues that students have come to regard grades as the “payment” they receive for their work and that concerns with learning have weakened relative to this “payment” (1997, pp. 102–104). The *Economist* – a conservative magazine – chooses a metaphor that implies the problem is comparable to government irresponsibility with a nation’s money supply (2002, p. 74). High grades, again viewed as payment to students, are seen as resulting in the devalued currency of the realm driving out those professors or institutions that would choose to be more discriminating in the grades they award. A sort of Gresham’s law is said to be at work as “cheap money” (i.e., higher grades) drive out “sound money” (i.e., lower grades).²¹

The first criticism from the left implies that market ways of thinking have gone too far while the second (from the right) implies that values espoused by market fundamentalists are not the

²⁰ This sort of “external” cost conceptually distinct from the typical “spillover cost.”

²¹ Because A and B grades have become much more common, the ability to use grades to rank student performance has weakened. Many schools have thus resorted to the introduction of plus and minus grades as a device for restoring the ability to discriminate between students. The consequence of this might be that the perception of the range of talent and ability is unchanged, as an “A minus” comes to communicate what a “B” once communicated, and so on. While it is true that this would mean no single professor or single university would in the long run gain a competitive advantage by grading more easily, this does not suggest that attempts to lower costs for students were not the motivation behind the individual acts of inflating grades. A prisoner’s dilemma would be at work, as each actor’s advantageous cost lowering strategy when combined results in none being better off.

problem but might indeed provide a solution.²² It is noteworthy, however, that each critic accepts the older view of the professor–student relationship as being “employer–worker” rather than the ever more dominant “seller–customer.” With the latter relationship the ascendant one, grade inflation is best understood not as “higher-payment” but as “lower effort price” for any particular grade one seeks to attain or, equivalently, as a more valuable meal-ticket for a given amount of effort.

A variation on grade inflation can also be observed, namely, the strategy of simply decreasing the time commitments required of the student. While the generally accepted rule-of-thumb has long been an average of 2 h outside the classroom for every 1 h in,²³ a recent National Survey of Student Engagement found that “only 12% of last year’s freshmen at 4-year residential colleges reported spending 26 or more hours per week preparing for classes, while the majority, 63%, said they spend 15 or fewer hours on class preparation.” And “seniors in the same survey reported studying even less than freshmen, with 20% studying 1–5 h per week” (Young, 2002). In the case of grade inflation, no less was being asked of the student, but a more generous evaluation of performance occurred. For the present market-wise strategy, there is simply less assigned.

As a variation on this theme, some institutions have reduced class hours. While there are defensible reasons for reductions (changing pedagogical strategies, substitution of emerging technologies for live interaction) what stands out is the perception created by the ads announcing such changes. The impression conveyed to the student–customer is not that they must devote just as much time to the learning process as before, albeit differently constituted, but that they can attain their degree more easily.²⁴

The possible conflicts of interest faced by those who both teach and grade are, on the surface, remarkably similar to those faced by accounting firms who both served as consultants and auditors at the Enron Corporation. There is no shortage of soul-searching by those close to the crisis who have apparently only recently begun to reflect on the dangers that the linking of such functions present. The similarities to higher education are striking, but there is one notable difference. The one who “professes” being simultaneously the one who evaluates is not some outgrowth of the over-heated 1990s, but goes well back in time. This raises the question, what has allowed this practice to avoid similar conflicts? What has guarded against college teachers, in their capacity as “consultants,” not succumbing to pressure to grade more generously (in their auditing function) than the actual performance warrants? One possibility would seem to have been, in the spirit of current accounting reforms, to separate teaching and evaluation entirely. Certain elite institutions do precisely this, but this can become a very expensive and difficult practice.²⁵

²² A different liberal response offered by Kohn (2002) has been to question whether there is indeed grade inflation occurring and to attribute the claim that there is a problem to conservatives.

²³ Note that adherence to such a schedule would have the sum of total work-time inside and outside the classroom summing to just about 40 h per week. This further strengthens the earlier suggestion that students might be usefully compared to workers.

²⁴ In a recent radio ad, an emerging “chain university” announces that while working full-time students can expect to finish their last 2 years of college in just 1 year. By the conventional “40 h per week” model of the full-time student this suggests an 80 h per week as a student plus 40 h on the job, for a 120 h week. Needless to say, there is something wrong with this new “vision.”

²⁵ Even the outside testers may find it hard to resist pressures to “grade more easily” as standards decline. For example, “The College Board, which sets the SAT exams, decided in 1995 to ‘recenter’ the tests, meaning that anyone scoring 428 on the verbal would be recorded as 504, and a perfect score of 800 would be given not only to those who answered all the questions correctly but to those who under the old system would have received a 730” (Kernan, 2002, p. 41). Veblen took a very different view of outside testing, seeing it not as safeguard against conflict of interest but as another example of

Three other practices, whether intended to fulfill this function or not, have likely helped to guard against the conflict. First, and most obviously, the institution of tenure removes the possibility that low grades (and all that goes with that in the way of student evaluation) will lead to one's being fired. Second, the practice of approaching the evaluation process in the spirit of "ranking" one's students (i.e., the practice of grading "on the curve"), though unattractive in some ways has had the desirable feature of making difficult any comparison of professors' contributions on the basis of the grades they award. We are all aware that professors grade differently than one another and entire departments grade differently. As significantly, it is doubtful that any correlation exists between the average grades awarded by a professor or a department and the relative amount of learning that occurs. Finally, and most significantly, there has been a gradual erosion of an implicit understanding that while the professor is responsible for the quality of what is assigned, how it is presented, and how it is assessed, the main responsibility for how much learning actually occurs is very problematic. This may in part explain why the very words "teach" and "teacher" are more cleanly associated with the pre-college levels. With age the ability to self-teach obviously increases. A 7-year-old left strictly on her own for any length of time would be unable to keep the "ship of learning" afloat, at least for the material that we usually associate with this age, but by the time one arrives in college and is equipped with the requisite material and access to sources as needed, the ability to self-educate should be pretty much in place. Though university faculty are likely thought of as "teachers" more now than in the past, the experiment with distance education at least suggests some acceptance of the secondary status of traditional "teaching" still remains.

The university continues to thrive (and distance education to come up short) in part because of the motivational ambience that is lost when the live contact is abandoned. This was certainly recognized when it was more common to speak of a student "studying with" a particular professor, an expression that today has a certain snobbish ring to it since it is generally used at only the elite higher levels of study.

In summary, the market becomes a questionable structure for effective higher education once it is recognized that the university has two quite separate educational functions. The best known of these functions – having students leave who are better educated than when they entered – and the less appreciated function – measuring the extent of the education – are markedly different as to their public nature. It is the latter of the two that has the more clearly "public good" characteristics. The public benefits from knowing the levels of education that people attain and thus at least partially, the public is as much the university's customer as is the student. We should be concerned that a consultant with the Center for Teaching and Learning at the University of North Carolina saw no problem in rhetorically asking "If a teacher is really, really good, why would not we expect everybody to learn what they are supposed to learn? Why should not everybody get an A?"²⁶ Post-Enron we must be concerned that a simplistic consumer model prevails that fails to appreciate the problems that the textbook model of market discipline fails to convey.²⁷ This quote shows no

business encroachment. In his words, "[T]he intrusion of business principles in the universities goes to weaken and retard the pursuit of learning" citing as one example of this "the substitution of impersonal, mechanical relations, standards and tests, in the place of personal conference, guidance and association between teachers and students" (1957, p. 165).

²⁶ The quote is from Rick Palmer and appeared in Matthews (2002, p. A10).

²⁷ An accusation of unethical peddling of degrees has already appeared in the British press. The Observer reports that "The 'degrees-for-sale' scandal stretches from the most prestigious institutions to the former polytechnics and includes undergraduate and postgraduate degrees . . . In the most extreme case, The Observer has evidence of a professor ordering staff to mark up students at risk of failing in order to keep the money coming in" (Bright, 2004, p. 1).

appreciation of the conflict of interest that might follow from praising a professor whose students earn only A grades, and seems unable to grasp that the student bears some of the responsibility for the grade received.

4. Conclusion

Several decades ago, Arthur M. Schlesinger Sr. reported a 30-year ideological cycle that he attributed to the amount of time that, on average, separates a generation's formative years from its leadership years (1986, chapter 2). Thus the 1920s, 1950s, and 1980s were conservative laissez-faire decades, as leaders in each carried with them the dominant worldview of 30 years before, while the 1900s, 1930s, and 1960s reflected activist government for similar reasons.²⁸ The 1990s threw some doubts on the Schlesinger thesis, since the 1960s leftward orientation never emerged despite intimations that it might with the election of Clinton in 1992. Instead, the revolution begun by Ronald Reagan in 1980 took on new forms, but continued on the same trajectory as governmental activism and governmental popularity declined while respect for the business sector and the free market continued to grow.

There is always some risk in taking on contemporary events in the academic world since the worth of scholarly writings must usually stand the test of time. While reflections on current topics can capture a historical moment they also share a reality faced by contributors to popular culture, namely, a tendency to datedness that causes a certain loss of luster. The changing gestalt of academic administrators has been coincident with the rise of the entrepreneurial sensibility that has been going on for the last two decades. Recent events may well mitigate and even reverse the trend of regarding students as customers. If so, the datedness of this article that will follow notwithstanding, any such reversal can only be welcomed.

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²⁸ The 1910s, 1940s, and 1970s were less subject to ideological compartmentalization in the United States, but do appear to have reflected attitudes lying somewhere between the prevailing attitudes of the decade preceding and the decade following.

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