Supporters of greater collaboration between universities and the private sector present and defend this policy shift as an elegant means of serving the needs of four of the main stakeholders in Canadian higher education, namely universities, industry, the general public, and government. They claim that corporate/university alliances will preserve if not revitalize our under-resourced universities at the same time as they promote the innovation that is increasingly key to the global competitiveness of our national industry. They further claim that these alliances will thereby help to sustain the quality of life to which Canadians have become accustomed and to achieve government's goal of generating maximal value for minimal investment in post-secondary education.1

While it is undeniable that greater collaboration between universities and industry has produced some benefits for some universities, businesses, citizens, and government, its impacts have been far more complex than is generally acknowledged. In the interests of promoting more informed discussion of and response to this public policy direction, this essay looks more closely at the assumed and actual impacts of university/industry collaboration, focusing specifically on their collaboration in the area of research.

There is no doubt that increased corporate involvement in academic research has helped to sustain and enrich various projects and units within some Canadian universities. However, claims that corporate support can help to preserve and even revitalize entire academic institutions are more difficult to sustain. Overall, corporations provide a small fraction of the total funds needed to support academic research, let alone more general university operations.2 Moreover, their investments often produce additional costs for universities (such as those associated with attracting, negotiating, monitoring, and sharing the spoils of research partnerships) which must be paid by redirecting resources away from other areas such as libraries, student support, departments of social sciences and humanities, etc. The actual effect of corporate links is thus to redistribute university resources in ways that revitalize some areas at the expense of others. These changes do not necessarily enhance the institution, but may generate a host of tensions, imbalances, and weaknesses that harm it in a variety of ways.

The claim that corporate research support preserves our universities can be challenged in another, more fundamental way. Both my own research and that of others on university/industry research links suggest that these alliances contribute to very significant transformations in what our universities do and in what our universities are. Perhaps the most obvious of these

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1. Over the last thirty years, there has been a dramatic shift in the Canadian government’s conception of and approach to higher education. Whereas our universities used to be seen and treated by policy makers as a public resource for social development, they are now viewed first and foremost as instruments of economic competitiveness whose primary role is to help Canadian businesses succeed in the global, knowledge-based economy.

2. Support for academic research in universities is not without costs. The costs to universities are not insignificant, and the nature of these costs can have a variety of implications for the institution.
changes relates to knowledge production in the university. In both direct and indirect ways, these links transform the selection and conceptualization of research projects, skewing the academic research agenda towards areas of industrial application and economic relevance.

University/industry links also transform the execution of academic research by introducing new norms, practices, and exigencies into the research process, such as increased secrecy and competition in research, or the need to work with shorter time lines and an eye to profitability. Finally, and perhaps most significantly, corporate links transform the ways in which, and conditions under which, academic research is used. Rather than a public good that is freely shared with all who can use it, university research is increasingly privatized and commercialized and thus rendered accessible only to those who are able and willing to pay for it.

In addition to its knowledge production function, corporate links also produce and reinforce changes in the more general nature and operations of the university. Indeed, the more universities work with business, the more they are required and encouraged to adopt values and practices that predominate in the private sector. This shift is most clearly reflected in the erosion of collegiality and institutional democracy in the university, as administrators centralize more power, make more decisions in secret, and by-pass established collegial structures and processes – often in the name of better serving corporate clients. However, it is also reflected in many other places, such as in the corporate language that is being adopted by our universities, in the displacement of academic by economic criteria in the allocation of institutional resources, and in new practices and criteria for evaluating and rewarding academics which are placing growing emphasis and value on entrepreneurial activities of various kinds.

Not only do corporate links fundamentally alter how our universities do their work, they also dramatically change the work that our universities do. Rather than simply doing research for business, or operating as does business, universities are progressively becoming knowledge businesses in their own right. Increasingly, universities and the academics within them are getting involved in lucrative entrepreneurial activities of their own, establishing commercial development offices, selling ringside seats to leading-edge research, setting up spin-off companies, licensing valuable intellectual property, etc. And rather than small scale ventures that are peripheral to the activities of academics and universities, these initiatives are consuming more and more of their money, effort, time, and other resources. In sum, rather than preserving our public universities, the private sector is actually helping to remake them in its own image. As well as affecting those who work within the institution in a complexity of ways, this transformation has a number of contradictory implications for those whom the university serves.

Although some Canadian companies have clearly benefitted from it, there are a number of ways in which the corporatization of the university fails to serve, and may ultimately undermine, the interests of Canadian business. For example, given that it is primarily large and well-financed Canadian businesses that are currently able or willing to partner with our universities, those companies that arguably need the university’s help most are getting it least. Thus, rather than promoting innovation and competitiveness within the corporate sector, university/industry
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links may instead be inhibiting them. University-based businesses may also impair Canadian industry’s capacity to succeed both at home and abroad due to the market advantages they may acquire from various forms of public subsidy that are unavailable to the private sector. A more significant way in which university/corporate links may undermine industry’s interests is by reinforcing the longstanding tendency of Canadian businesses to under-invest in research and development relative to their competitors in other countries. So long as our universities provide them with high quality research at much lower cost, Canadian businesses have little motivation to develop the in-house capacity and expertise that are ultimately crucial to their ability to innovate and succeed.

It is in the long term, however, that corporate links may cause the most damage to industrial interests. As academics progressively engage in more targeted or applied research for business, their ability to conduct curiosity-driven or basic research, which is more frequently the source of significant scientific and commercial breakthroughs, is likely to diminish. Universities’ contribution to industry’s well-being will be further reduced as many of the features that made them so attractive to the private sector in the first place (such as their traditions of free, open, and collabora-

tive inquiry) are eroded if not displaced by virtue of their partnerships with corporations. Of all the claims made in favour of university/industry collaboration, those related to the general public are the most questionable. Even assuming that university/industry alliances result in greater industrial innovation and competitiveness, it is not necessarily the case that the general public will benefit from these. For while industrial innovation and competitiveness can indeed enhance citizens’ quality of life by producing jobs, tax revenue, local development, etc., they can just as easily have the opposite effect by deskilling workers, killing jobs, spurring foreign takeovers of profitable Canadian companies and the out-migration of highly-skilled workers, etc. In addition to the impact on corporations, the impact of corporate alliances on the university must be added into the equation when assessing their implications for Canadians’ quality of life. Although some citizens have been well served by the corporatization of the university, overall this process has been and will be quite detrimental to the general public interest.

One of the most obvious ways in which Canadian citizens fail to benefit from university/industry alliances stems from the growing privatization of academic knowledge. Although Canadians still pay the lion’s share of the costs of university research, the results of this research are increasingly becoming the private property of corporations, universities, and/or academics. Should various members of the public wish to access the results or products of the research they helped to pay for, they must pay for them again. This is assuming that research results are accessible, which may not be the case for a variety of reasons including exclusive licensing agreements and prohibitively high monopoly prices.

In addition to a poor return on their investment in university research, Canadians are also getting less value for their money. There is a lot of evidence which suggests that corporate involvement in academic research slows the pace of knowledge production in the university, as people work in secret (both by obligation and choice) rather than sharing research results. Evidence also suggests that corporate involvement can harm the quality of knowledge production in the university, as areas are pursued not for their scientific merit but for their commercial potential, and as the temptations and pressures to quickly produce desirable results increase. It is important to further emphasize that, as the academic research agenda is skewed in the direction of business needs and interests, a lot of research that is needed by other groups – particularly disadvantaged groups (such as women’s groups, anti-poverty groups, aboriginal groups, etc.) which cannot afford to sponsor academic research – is not being done in the short term. Even more seriously, the ability to do this kind of research may atrophy or disappear in the long term.

At the same time that our universities are becoming less useful to greater numbers of Canadians, corporate links are also rendering our universities less trustworthy and reliable. As academics and universities become more involved in business ventures of others or of their own, they become less able to protect the public from harm, as the case of Nancy Olivieri illustrates. They also become less willing to protect the public from harm, as the case of David Healy and the growing number of scandals involving university business ventures – both legal and fraudulent – demonstrate. Ultimately, the corporatization of the university threatens to
leave our society without a disinterested source of expertise to which we can turn for assessments or advice on important social, economic, and political questions, such as the impacts of genetically engineered foods or the safety of various drugs and treatments. This poses a number of threats to the quality of life Canadians may enjoy in the present as well as the future.

In terms of the federal government, it is unclear whether its policy direction either saves it money or maximizes the value of the money it invests in post-secondary education. As the innovation agenda has proceeded apace, the federal government has put more, not less, money into university research support. Further, as this support has been largely targeted to industrially-oriented academic research, it has served to advance the corporatization of the university and all the attendant consequences that are described above. This suggests that the government’s investment in our universities may not necessarily yield high economic returns and will almost certainly yield diminished social returns. Thus, in the long term if not in the short, the government’s approach may actually produce less value for more money invested in our universities. Far from serving the government’s interests, this outcome will undermine its finances and its credibility, not to mention the already fragile public trust.

The foregoing suggests that, at minimum, a fresh look at Canadian higher education policy is in order. This reexamination needs to focus on higher education in its own right, rather than viewing it only as a component of the national innovation system. The discussion also needs to involve representatives from a broad range of social groups that have an interest in higher education and university research, as opposed to primarily academic and business executives (along with government officials) which has largely been the case up until now. Indeed, the exclusionary process through which this policy has been produced may well lie at the heart of the disjuncture between its assumed and actual implications. A more balanced and democratic policy-making process should generate more realistic expectations for, and more positive outcomes from, our national higher education system.

1 These arguments may be found in a number of public reports including the recently released federal document Achieving Excellence: Investing in People, Knowledge, and Opportunity that is available through Industry Canada and at http://www.innovationstrategy.ca.


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