

The mirror cracked

How is the global financial collapse changing the US higher education sector? Andrew Delbanco, director of American studies at Columbia University, offers a sobering answer in the current issue of *The New York Review of Books*.

Sources of revenue, Professor Delbanco noted, are as varied as the structure of the institutions themselves, with private colleges relying on tuition, public schools relying on state funds, and both depending on endowments and alumni contributions. As every source is strained, so every institution is contracting in ways that diminish the quality of education.

Generalisations are difficult to sustain in this "mixed system of public, private, large and small, residential and commuter, religious and secular, non-profit and for-profit institutions", he wrote, but Professor Delbanco found problems everywhere he looked. Freezes in faculty salary and hiring, mandatory furloughs and staff layoffs, and the postponement or cancellation of construction projects are common.

Some private colleges are trying to bring in more revenue by admitting more students than their libraries, laboratories and dormitories were designed to serve. Worse, an honest debate about admissions inequality, having gained traction before the collapse, now seems beside the point.

"Higher education has always been a mirror of American society – and, for the moment at least, the image it reflects is not a pretty one," Professor Delbanco said.

A look in the mirror at Harvard University reflects an especially troubling image. Before the collapse, it had announced a long-overdue increase in financial aid and had broken ground on a long-planned expansion that would have doubled its physical size.

With the world's largest university endowment,

valued at \$36.9 billion (£25 billion), officials had counted on \$1.4 billion in earnings to fund one third of its operating budget. No one knows for certain how much the endowment has shrunk.

Recent analyses by *The New York Times* ("Harvard, private equity and the education bubble") and *Forbes.com* ("Harvard: the inside story of its financial meltdown") put the losses between 30 and 50 per cent – and apportion blame on the same exotic financial instruments that have brought the rest of the country low.

Losses to Harvard's self-image, according to which the students are told they are too smart to fail, have been no less severe.

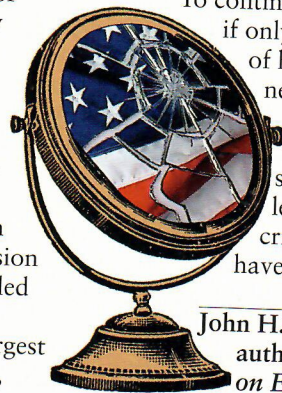
According to *The Boston Globe*, the university's Office of Career Services has responded by launching a seminar, "Reflections on rejection". Abigail Lipson, director of the Bureau of Study Counsel and co-sponsor of the seminar, described its message in a bulletin distributed to participants: "We learn to recognise our bad feelings as an indication that we care. We have high standards and high hopes, and we expect a lot of ourselves and of the world, rather than assuming that we are hopelessly untalented or unworthy."

All that's missing from that last clause is "vile", which would complete the old Calvinist idiom of devotion and despair, now rendered in a therapeutic jargon that scarcely conceals the school's religious zeal for success.

One senses opportunity. This crisis, rightly understood, should multiply officially sanctioned standards for success.

To continue as before, as if only the financing of higher education needed changing, will mean that our brightest students will have learnt little from the crisis, because we have little to teach them.

John H. Summers is the author of *Every Fury on Earth*.



ing
d in
e de-
NUC
sider
sion,
e and
ffec-
ding
ncial
d re-
cies.
r the
fe of
eria,
ment
Nige-
ings.
Oke-
eight
it re-
fully
ain a
rove
sm";
apac-
while
build
lapon-
erian
how
i acad-
ading
more
cited
meas-
open
1 and
lly be



SUNDAY ALAMBA/ASSOC