

7. The State of the Universities

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History

Historically the public–private divide matters a lot. Much of the 20th century was devoted to a global battle between public and private ownership philosophies. The difference brought us to the brink of nuclear war.

The so-called end of history said that the democratic liberal market societies were finally ascendant, as evidenced by the fall of the Berlin Wall (Fukuyama 1992). There are all sorts of growing challenges and qualifications to such a generalisation (e.g. Huntington 1996) but, at least in the Anglo-American countries, while political parties do still distinguish themselves a little by greater or lesser dirigisme, a broad convergence to the centre is clear: we are all ‘third way’ warriors today.

In Australia the public and private spheres are now inextricably mixed. Think of Medibank and private health insurance. Public hospitals and private hospitals. Public policing and prisons and private security, prisons and detention-centre firms. Think of state pensions and privately managed superannuation. Or public and private broadcasters, water companies, railways and electricity generators.

Indeed Australia has a quite distinctive model of the welfare state. It produces an outcome that is one-third public and two-thirds private: an economical welfare state.

Australia actually has one of the lower proportions of public spending and taxation as a share of GDP of the OECD countries (OECD 2014). It is based upon the use of mostly flat-rate, means-tested and targeted social support and it raises the funds for this from a more-progressive-than-most taxation system.

The associated safety net is relatively thorough and state-provided – but with public incentives provided for further private provision in most areas. This is today a quite distinctive ‘Australian Way’, and it also applies to education.

Modern Australian tertiary education

In pre-school and child care, there is a blend of public and private ownership and provision plus incentive support from the state for the private provision. Likewise, there are publicly owned and funded government schools and there are private schools with public financial assistance for those choosing the private schools.

In tertiary education too the nation walks on two legs. Universities and technical and further education colleges (TAFEs) are overwhelmingly publicly owned and receive substantial government funding and there is private education and training (PET) which is commercially owned and provided for fees. So we have accepted both public and private components of tertiary education too.

But the university world itself is more nuanced than such broad characterisation would indicate. Thus the Australian university scene does include private universities such as Bond University and the University of Notre Dame, and the Australian Catholic University is established as a company under the Corporations Act. Melbourne University, a public university, established Melbourne University Private, and its Melbourne Business School was established as a separate company from the university. Equally, many universities have private operating entities for foundation programs, executive programs, research commercialisation, consultancy and more, such as Monash College and others.

Many universities also have strategic partnerships with private providers for foundation programs and pathway programs and they contract out an increasing array of functions to private firms ranging from Navitas and Kaplan to UniLodge, for education delivery, accommodation, maintenance, staff and student support, etc.

Most recently, a first for-profit university, Laureate, was accepted in 2011 as a university under the protocols applying prior to the establishment of the Tertiary Education Quality and Standards Agency (TEQSA).

Beyond the individual universities, various universities have over time collectively established private companies for common service provision such as Unimutual, Unisuper, IDP Education, AARNET, Higher Education Services Pty Ltd.

In addition there are many further public and private higher education providers awarding degrees, ranging from Holmesglen TAFE through the Melbourne Institute of Technology to the Moore Theological College and SP Jain School of Global Management.

And there are many public and private research institutes and providers ranging from the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Defence Science and Technology Organisation (DSTO) through medical research institutes and ‘think tanks’ to corporate research entities, including many in ‘knowledge parks’ associated with universities. Links to universities for all of these are not uncommon.

And what do we make of the fact that public universities receive only 20 per cent of their revenue as direct institutional grants from government (with another 20 per cent being national competitive research grants for academics), while private schools receive 60 per cent of their revenue in direct institutional grants from government (OECD 2013)? Under ‘contestability’ policies such as in Victoria and Queensland, private tertiary providers receive increasing government support, including participation in vocational education and training (VET) national support programs, access to Australia’s fee loan scheme (FEE-HELP) and income support schemes (Austudy and Youth Allowance), as well as access to State and Territory course funding (Noonan 2014).

There is also strong pressure for ongoing change. For example, private providers have sought further access to the Education Investment Fund, Commonwealth Supported Places and more, though sometimes a caution applies that this would be preferred by them without the costly and sometimes poorly administered reporting and accountability burden that can accompany public privilege. Likewise some public VET providers also seek wider access to higher education arrangements ranging from teaching subsidies to university title.

Most recently the Abbott Coalition government proposed in 2014 opening up access to Commonwealth Supported Places for undergraduate degrees to non-university higher education providers, though at a discounted rate to allow for the distinguishing university research function.

In all, any simple distinction between whether Australia should have either public or private as its preferred mode of provision of education is both no longer tenable and is subject to open contestation. We have a quite mixed and fast-changing system in place today in Australia. The distinction between public and private is not nearly as clear as it once might have been.

Tertiary education reform in Australia

But the changes do not mean that the difference has disappeared entirely, nor that it should disappear.

Indeed it may be argued that a mixed system such as in Australia is a healthy one. Reliance upon either mostly public or mostly private each has its weaknesses as well as strengths.

The Lisbon Council (2008) did indeed say, in one of the rare rankings of higher education systems and one of the few that went beyond heavy reliance upon research metrics as the differentiating factor, that Australia's higher education system was the world's best.¹

But the Bradley Review of Australian Higher Education (2008) did point out that the achievement reflected in that characterisation could well be unsustainable or compromised. For example, the Review found that Australia was the only country where public funding for higher education as a share of GDP had fallen steadily over much of the late 20th and early 21st centuries, whereas it had increased by over 60 per cent on average for other OECD countries up until the Global Financial Crisis. Australia had attained the highest student-staff ratio in universities for the OECD, yet its higher education students worked in external employment while studying full-time more than most other comparable countries, the flip side of one of the less inclusive income-support systems for students across those countries (Universities Australia 2008a). At the same time, the Australian academic workforce, which had expanded substantially in the 1960s and 1970s, had come to represent the second-oldest workforce in terms of mean age (just behind farmers), which also affects sustainability of tertiary educational provision (Hugo and Morriss 2010).

Also, as the Bradley Review again found, Australia had the highest share of full-fee international students in higher education in the OECD and the share of lower socio-economic status (SES) students in higher education has remained largely static across many years.

For a sustainable future to emerge instead, it was necessary, according to the Bradley Report that the Review's budget recommendations regarding indexation and payment of indirect costs of research grants be implemented in full; that a new tertiary quality assurance framework be implemented efficiently and effectively; that the international education framework be advanced to embrace a 'third wave approach' as recommended in reviews by Baird (2010), Knight (2011) and

¹ A more recent ranking of systems for the Universitas 21 group of universities has Australia in a more modest eighth place (Universitas 21 2012).

Chaney (International Education Advisory Council 2013); that, again according to the Bradley Report, at least 40 per cent of young adults should hold at least a bachelor's degree by 2020; that at least 20 per cent of students should come from lower SES backgrounds by 2025; and that, according to the Lee Dow Review (2011) student income support needed to be better targeted to support and assist with these equity goals.

In the longer run these ambitions and the need for excellence in standards requires further elaboration in this writer's view. A suitable target would be that higher education funding should move to two per cent of GDP; and that this should be resourced 50:50 public and private.

Cross-country regression analysis for OECD countries relating per-capita income to higher education funding, with appropriate allowance for the direction of causation, as conducted by Universities Australia (2008a), documented the economic benefits of such benchmarks, and the Higher Education Base Funding Review (*Lomax-Smith Report* 2011) also agreed with the general direction of such funding proposals.

Policy implementation

Reviews are one thing. The implementation of their recommendations is another. It might have been predicted that there would be abolition by a Labor Government of the Coalition's National Governance Protocols and Higher Education Workplace Requirements and the controls they implied over university governance and workforce management, and that there would be the passing of a Student Amenities Bill to help revive campus life under a Labor Government, although the latter did take a long time.

But who would have predicted that during a global financial crisis (GFC) there could be a major increase in university funding, both in infrastructure through various fund initiatives such as the Education Investment Fund (EIF), Better Universities Renewal Fund (BURF), Teaching and Learning Capital Fund (TLCF) and through better indexation and enhanced indirect cost support?

Similarly, it would have been brave to predict that, coming out of the Indian student problems experienced in 2009, recommendations to improve the Education Services for Overseas Students (ESOS) Act and make student visa administration better and healthier than before the troubles, would be promptly implemented.

Also coming out of the Bradley Review a new integrated national regulatory framework (under the Tertiary Education Quality and Standards Agency plus an Australian Qualifications Framework Council (AQFC)) might have been seen as the price of increased funding, but less predictable was the acceptance by government that key principles of 'self-accreditation', 'regulatory necessity' and 'proportionality' be embodied in the legislation. Equally, when the resultant regulatory agency showed signs of overreach, government acted quickly to review this (Lee Dow and Braithwaite 2013) and act on the recommendations.

There was also the prompt reform of targeting of student income support that drew heavily on the Lee Dow Review (2011) and the Universities Australia (UA) work in the area. And it was even possible for university representations to turn the Gillard Labor government around on its ministerial titling better to reflect commitment to higher education and to pre-empt planned cuts to the National Health and Medical Research Council (NHMRC) and even recover some of Australian Learning and Teaching Council (ALTC) cuts.

Equally, despite emerging budget deficit issues, the adoption of a demand-driven enrolment funding system for domestic undergraduate places proceeded, permitting university admission of all domestic students meeting their entry standard.

However, despite four years of such change under Labor and indeed in the latter Howard government years too (for example, establishing the Higher Education Endowment Fund), the situation subsequently became uncertain.

There were in the 12 months prior to the 2013 Federal Election proposals by the then Labor government for each of: major delays in allocations from the Education Investment Fund; deferral of scheduled increases in indexation and indirect cost support; imposition of 'efficiency dividends' (i.e. grant reductions) on university funding; conversion of 'start-up' scholarships from grants to loans; elimination of 'up-front' discounts for early payment of official loans; and, continued failure to accept the recommendations of the Bradley and Base Funding Reviews for real per-student funding increases.

Following the election of the Coalition government in September 2013, ideas regarding caps on demand-driven enrolments, abolition of compulsory student services and amenities fee requirements, Australian Research Council grant funding cuts, and controls on types of grants to be funded for research were floated by government representatives, if not acted upon at the time.

By contrast, new provisions for 'Reverse Colombo Plan' studies and improved work-experience visa provisions were also mooted and serious implementation arrangements were pursued as of later 2013. Machinery of government provisions

saw VET separated ministerially from higher education and responsibility for research initially left divided and ambiguous, which was not a sign of clarity of vision and purpose in this field.

However, the May 2014 Budget saw the emergence of much more purposive proposals for change. These embraced at least five elements.

The first was expansion. This was to come through increased demand-driven enrolments via extension of eligibility to sub-bachelor degrees.

The second was restructuring. This was to come through reconfiguration of degree subsidy structure and also restructuring of science funding and infrastructure government support.

Third was deregulation. This was to come through removal of caps on tuition fees plus reduced regulatory agency responsibilities, though quotas would be imposed for equity scholarship funding.

Fourth was more competition. This was to come through extension of public subsidy to those enrolled in non-university higher education providers.

Fifth, and finally, there was privatisation. This was to come through reduced public subsidy for undergraduate degrees, new fees for doctoral study, increased student loan costs and lower indexation formulae for future government grants.

These proposed changes were still under consideration in the Commonwealth Parliament as of the time of writing in September 2014.

The role of universities

From the 1980s through to the early 2000s Australia as a nation went through a transformation under a process of economic reform. It involved acceptance of an 'economic rationalist' view that wider use of liberalisation and privatisation was needed in Australia.

Older reliance upon what Castles (1985) had termed a 'worker welfare state' model, or the 'Australian Settlement' in Kelly's (1992) depiction, was put aside. The outcome has been a major restoration of economic prosperity and resilience compared to most other OECD economies.²

² Though various Scandinavian economies have likewise performed well despite their general adherence to a more dirigiste model of policy, and the sustainability of this outcome is at the centre of contemporary economic debate (e.g. Garnaut 2013; Edwards 2014).

However, the momentum of Australian reform is seen as declining from the early 2000s and a phalanx of policy commentators and interest groups have been calling for a resumption of reform. Part of this vision is a view that reform of the non-traded social sectors is at the core of the task that remains. This especially refers to health and education.

As regards tertiary education and especially higher education, one wonders whether the commentators have ever transcended the perceptions that they developed following their own youthful university experience. Certainly, in this writer's view, it is not clear that they talk to their children enough, which may go with a federal politician's role, since they do seem rather unaware of the cumulative extent of reform and change in tertiary education.

For example, even putting aside earlier changes in higher education, the Howard Coalition government's long period of reduced real funding per student and imposition of industrial and governance reform were major vehicles for the transformation of Australian universities, including their growth into larger, more market-based and managerialist organisations that, inter alia, developed whole new areas of remunerative educational practice. The emergence of education exports as Australia's third-largest export after coal and iron, and the top export for Victoria and second for NSW, is only beginning to be more widely understood outside the sector.

During those Howard Coalition government years, the rise of alternative revenue sources saw the government share of university revenue fall from 80 per cent to 40 per cent, delivering the highest share of private revenues for any public university system in the OECD and including the highest share of international revenues in any university system (OECD 2013). Governance and industrial reforms entrenched new managerial power.

The subsequent Labor government reforms from 2007 through 2013 then took the reform process further, altering the foundations for the delivery of remaining public funding and developing a new regulatory rather than self-policing quality-assurance system. But with no increase in real per-student funding and with major new enforceable regulatory requirements imposed, the Coalition imperatives supporting elements of both market and managerial imperatives were arguably reinforced, rather than reversed, under Labor.

Even with the limits to regulatory intervention that the sector managed to have included in its new TEQSA Act (unlike the VET sector) and the successful incorporation of a legislative commitment to academic freedom by way of amendment to the Higher Education Support Act that authorises Commonwealth

funding of universities, the balance of reform has been to maintain the market, mandarin and management momentum. It is individual and collegial academic self-determination that has diminished in the process.

Where to next? With some strong advocacy favouring ongoing reform, the pressure for further strengthening of the market and managerial direction is likely to be continued. This prediction has been confirmed fulsomely in the May 2014 Budget proposed by the Abbott Coalition government. Possible developments from this, plus wider developments in higher education, may therefore include: more private universities and other private higher education institutions; the emergence of some public universities that eschew government funded places; more degrees being approved and publicly funded for delivery from non-university providers; more use of blended learning in delivery as accelerated by the attention being paid to the massive open online course (MOOC) phenomenon; more vocational training and education from private providers and within firms, including through ongoing opening of public funds to contestability; more pathways negotiated across the system, including expanded partnerships of universities with private providers for this purpose; more development of new teaching-only university colleges; more inter-disciplinary research to meet growing demand for more holistic views from universities' research; and more acceptance of incentives for impact and engagement by universities with business, government and community.

For universities these trends, if realised, would mean a smaller share of post-secondary education enrolments and more private elements in university operations. They also mean that universities, as other providers, will be under considerable pressure to be even more business-like in their management processes while seeking to maintain a commitment to their core knowledge objectives.

This is likely to take place within a greater engagement with the emerging university and other tertiary education systems of the faster-growing economies, including those in Asia. Two-way student movement may emerge stronger, as may extension into more graduate studies, education partnerships and research collaboration.

Future response by universities

How should policy and universities respond to these trends and pressures?

First, from the perspective of the tertiary education system as a whole, it is arguable that the major expansion of private provider provision in vocational education and training and in pathway and partnership provision is a potentially healthy one, but subject to careful conditions.

We now have a million-plus students in Australia in each of higher education, TAFE and PET. These are essentially three matched components of our contemporary tertiary education system.

Diversity in forms of provision that helps best meet student choices and needs, and fosters research in all its forms, is to be supported and encouraged. And higher participation rates in tertiary education are beneficial for Australia. Functionalists can take comfort from real rates of return in the 15–20 per cent range, while cost of capital to government is seven per cent or less (Higher Education Base Funding Review 2011).

Tertiary education more than pays its way in terms of employment and earnings benefits – quite apart from wider social and cultural returns that are also or instead a focus for many.

To have one pillar of this system that prioritises flexibility and innovation and responsiveness is arguably a gain. The modern growth of private provision therefore is likely to continue. Large complex public institutions, whether TAFEs or public universities or research agencies, have their limitations as well as their strengths.

For this emergent trend to work best to tap strengths and weaknesses wherever they may lie, one key requirement is an efficient and effective quality-assurance system. This is not yet currently happening and the new national VET regulator especially shows all signs of a bureaucratic, one-size-fits-all, tick-a-box, process-oriented regulatory approach (Withers 2013). TEQSA is still a work in progress but has also given cause for alarm, as Lee Dow and Braithwaite (2013) have convincingly documented. Regulation therefore is ripe for ongoing monitoring, and the pretence that officials can help improve business and education processes rather than maintain threshold output and outcome standards to protect students still needs to be addressed.

Secondly, to determine the appropriate balance in the tertiary education system there does need to be a 'level playing field' for regulation and funding. How a level playing field for such a tertiary environment can be defined is also a work in progress. It should, however, fund providers at cost of public benefit generated, independent of the provider type; that is, follow 'competitive neutrality' principles, including recognition of different cost requirements imposed by government on alternative providers. Present differences between VET and higher education in access to international visa arrangements, in payments for equivalent teaching services via Commonwealth Supported Places, and also actually in provision of research services vis-à-vis non-university research institutes, seem *prima facie* to violate this principle. Partial reviews

of tertiary sector components hide these differences. Comprehensive whole-of-sector examination is called for, despite the federal complications of this, and should proceed under a clear risk assessment framework.

Of course acceptance of public funds may require conduct of activities that are not themselves commercial – for example, specific areas of education and research with small demand but important for the society. Similarly, acceptance of public funds may require adherence to public requirements for transparency and accountability, involving, for example, auditors-general, parliaments, ombudsmen, departmental scrutiny, reporting and contract management. This needs to be understood by those seeking access to university-style funding, just as university representatives need to understand reciprocal obligations such as reinforcement of open-access principles for publicly funded research.

Third, while allowing for competition, some enduring distinctions can remain. These relate essentially to ‘truth in advertising’. In this context the term ‘university’ should remain closely regulated.

This is because a university should be an institution characterised by the pursuit of broadly based higher learning and research for the public benefit (Universities Australia 2008b). The defining characteristics of a university to this end are that it is academically autonomous, and that it operates as follows: it offers rigorous teaching and examination across a substantial range of disciplines and qualification levels (i.e. from diploma to doctorate); it is committed to the systematic development of new knowledge through fundamental and applied research; it undertakes research training at doctoral and postdoctoral level in its areas of research strength; it contributes to public debate and to the advancement of public understanding concerning matters of national and international importance; it engages with its host community to share facilities of community benefit, foster its accessibility to community members and assist in addressing community issues and problems; and it participates in national and international networks to advance knowledge and promote the value contribution of higher education.

The breadth and integration of a university’s activities in teaching, research and external engagement in these ways separates a university from other tertiary education providers.

Those providers that wish to develop some or all of these characteristics listed should be able to pursue university status if desired, and this would be welcomed, but only if all the characteristics required are met. To dilute the use of the name would not assist students and other stakeholders in any way.

A university need not be exhaustive in its coverage of all research and teaching undertakings, but it must combine undergraduate and postgraduate teaching and research across a range of disciplines. This principle in no way prevents a university from concentrating on particular areas of teaching and research strength, as many of Australia's universities already do.

It does, however, differentiate a university – so-called – from a more specialised body that should properly be called a college, school or institute. Breadth of coverage also underpins the validity of autonomy and self-accreditation, through the provision of internal checks and balances arising from peer review within a community of scholars, including across disciplines, schools and faculties.

Even great specialised institutions such as the London School of Economics, Caltech or the Massachusetts Institute of Technology do not adopt the title 'university'. This is as it should be, and the emergence of Australia's first specialised university in the form of the Melbourne College of Divinity University is, in this respect, to be regretted. Far preferable would have been the retention of 'School' or 'Institute' for specialised institutions and the simpler adoption of 'university college' title for specialised teaching institutions. The present insistence on such colleges also having research as opposed to scholarship obligations is simple protectionism by existing universities.

Fourth, private universities need not and should not mean for-profit universities. Private universities can be and should be not-for-profit. This is certainly the case already for the vast majority of private universities around the world – and it certainly is the case for those private universities that are consistently at the head of world rankings, such as Harvard, Princeton and Yale.³

However, to include the profit motive in the mix is incompatible with the nature of the university – a bridge too far. Such motivation would undermine the public-benefit purpose of the university. This is because commercial provision is inevitably conditioned by the profit motive that drives business at its core and brings its own distinctive but different benefits, but does not and cannot thrive on the production of public goods. Included here is the critical-inquiry function that so characterises all good universities, but doesn't generate much appreciable revenue.

This public-good benefit refers to activities that have wider benefits for society beyond those that can be captured in the excludable and appropriable market contracts necessary for profit-based businesses to operate. It is for this reason that so few for-profit universities have been present in the 1,500 years of university existence – and why related endeavours of contemporary note in Australia, such

³ However, private Japanese and Korean universities have achieved less to date, for which a wider historical explanation is needed.

as Central Queensland University business partnership arrangements or even the SEEK corporation's role in IDP Education, seem to have had their distinctive problems in the local environment.

The consequences too of undue reliance on an inadequately regulated commercial imperative are there for all to see in the GFC itself and, in Australian tertiary education to some extent, in the 2009 Indian student crisis. Nevertheless, the latter seems as much or more a government regulatory failure, especially in immigration management, as it was a market problem. Academic self-regulation in universities is an important antidote to over-reliance on both market and mandarin imperatives, providing it is not itself in turn swamped by internal managerialism.

The role of universities therefore in a mixed tertiary system is to work in a complementary way with specialist teaching and specialist research entities, including those that operate through business provisions – for example, within firms and by private providers, through a not-for-profit, comprehensive education and research capacity. The mix can be highly synergistic to the benefit of all sectors in our economy and society in general, but including the field of tertiary education, especially as an area that matters as much for the political, social and cultural dimensions of our national life as its strictly economic aspects (Universities Australia 2008a).

However, for not-for-profit provision itself to work, it must embed substantial autonomy from government too (Aghion et al. 2009). Just as there are consequences from purely commercial motivation in this field, so there are consequences from undue government control, direction and influence. The Australian politicians' ritual denunciation of selected research topics receiving grants would be amusing were it not symbolic of a deeper danger. A pluralist democracy is underpinned by freedom of inquiry.

Creativity in learning and independence in research are key requirements for national progress. There must be systems and culture that ensure substantial professional independence in teaching and research, while still fully complying with all reasonable accountability requirements for the use of public funds and while allowing a reasonable component of private funds to augment this.

Fifth, universities must act responsibly in the use of their autonomy. It is here that managerialism enters the fray again. While defending universities against external control, academic freedom must be respected internally. Institutional autonomy is actually different from academic freedom and the latter is at times also under pressure from within.

Universities are actually managed quite well overall in basic functional areas of administration. A common view to the contrary held by many business managers and politicians is misplaced. Indeed the appearance of twice as many Australian universities in *The Times* top global 500 universities as Australian businesses in the *Fortune* top 500 global businesses, indicates that private business in Australia hardly transcends university practice (Withers 2009). However, there is a great danger that such hierarchical managerialism may be coming increasingly at the expense of freedom of inquiry, as much as by a burden of reporting and administration as from direct intervention in research and teaching, though there are too many instances of the latter too. The modest case study appended below illustrates the unintended effects of managerialism, along with some negative contribution too from mandarins and markets.

Therefore there is still serious scope for better management consistent with the purpose of the university. Above all this involves four components: first, reducing diversion of internal resources to uncreative and unsupportive administration; secondly, better institutionalisation of peer review of academic affairs from practising academics within university decision-making; thirdly, proper respect for staff and student voice in university affairs; and fourthly, improving university integrity codes to ensure conflicts of interest and breaches of research protocols are prevented or dealt with openly and honestly.

Conclusion

Universities are one of society's most enduring institutions. They have continued to help meet the core human need for the creation and dissemination of knowledge. It is telling that one of the first instincts of the most authoritarian of rulers is to suppress academic freedom.

It is also the case that the ideas and innovations that emanate from universities and the transmission of this learning help underpin economic, social and environmental advancement.

In Australia, traditional university arrangements did seek to provide this under full public funding combined with academic autonomy. However, arguably, this privilege was less respected by its recipients than society might expect for the support provided. To return to old attitudes of entitlement is therefore not what is needed.

New ways under a massified university system do promise more for the citizens who underpin such effort. The capacity to benefit from advanced learning is not restricted to an elite group, but something that can be of wide social gain. But

new ways also are full of their own tricks and traps, including the challenges of maintaining academic autonomy and knowledge imperatives while balancing these against the constraints posed by the managers, mandarins and markets.

To meet these challenges requires careful development of the logic and evidence and pursuit of higher values that characterise the university at its best, applied to the problems of the modern university itself too. Hence this collection of essays.

Managers, mandarins and markets: A case study

In August 2012, an Australian Council of Learned Academies (ACOLA) grant of \$1.25 million over three years was made for a project to be guided by an Expert Working Group of Fellows of the Learned Academies of Australia. Accommodation for two to three offices to allow conduct of the supporting project research was sought at one of Australia's premier research universities, the home of the Group's Chair.

The outcome was that initial accommodation previously expected from an on-campus Learned Academy did not eventuate as the academy itself was now being required by the university to move to smaller premises if it wished to remain on campus. This was in order to make way for an expanded office of the alumni relations and philanthropy division of the university administration.

A second set of office accommodation promised by the Group Chair's own college was then pursued and then withdrawn when the chancellor and vice-chancellor required the promised space to be instead prioritised for two impact projects related to government linkages and housing administrators for these programs.

A third suite of accommodation then subsequently identified as vacant within another college was removed from consideration when the university central administration required relocation there of the university student equity team instead. A temporary office facility was therefore found in a third college but it too was terminated when it was established that associated rental required of \$20,000 annually for offices and IT support could not be paid under the Australian Research Council (ARC) official grant rules behind the ACOLA project's funding.

An off-campus fallback option identified at another learned academy had in the meantime disappeared when that academy found an ongoing commercial market tenancy for rental of its space.

The university concerned had actually been downsizing its staff due to budget issues at this time, making substantial space available in principle but this proved hard to identify as administrators protected space for future possible need rather than immediate use.

Homelessness by Christmas 2013 faced this ACOLA flagship project – the results of which, in addition to associated academic publication, were to be presented at the Prime Minister's Science and Engineering Council to demonstrate academic responsiveness to national needs.

The distortions in delivering on such Learned Academy pursuits in the face of market imperatives, managerial intercessions and mandarins' mandates are evident, even at the cost of work with scholarly imprimatur.

Finally, an academic unit of great distinction and with some independence arising from its standing and external funding and operating via traditional collegial decision-making, provided accommodation for the project after more than a year of searching - a small victory in the end for academic autonomy in a sea of alternative incentives and pressures.

Such is the life in pursuit of veritas in the modern university.

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