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'NEW PUBLIC MANAGEMENT' AND THE ACADEMIC PROFESSION: REFLECTIONS ON THE GERMAN SITUATION

ABSTRACT. This essay considers recent implications of 'new public management' (NPM) strategies for the universities of Germany. It argues that NPM poses a threat to the traditional values of the academic profession, and asks what the universities should do to restore public trust in their methods and management.

INTRODUCTION

Re-reading Talcott Parsons' analysis of the American university in the early 1970s brings a sense of déjà-vu.[1] Much of what he says sounds old-fashioned, and perhaps was so even when he wrote it. Yet, part of his message seems highly relevant to the situation con- fronting universities in many Western countries. One issue that concerned Parsons was the changing role of the academic profession. He saw universities, especially graduate schools, as organizations essentially run by academics, even more than hospitals are run by medical doctors. Simply put, universities are the backbone of academia – indispensable, but subordinated to the power of the academic professions.

Today, more than 200 years after Wilhelm von Humboldt's reform of the University of Berlin, one sees the gradual but irresistible unfolding of a profound paradox. The universities of the Wes- tern world are an undeniable success story.[2] Research and teaching have expanded enormously, and there are no signs of stagnation. American and EU countries are committing themselves to increasing enrolment rates, and China and Third World countries are doing likewise. In general, promises of growth are holding true for **(← p. 361)** academic research and teaching. John Meyer interprets this as a representation of modernity. The modern state, industry, and the health care system all seek new technologies and instruction – and pressure the universities to deliver the goods.

However, in parallel with success, has come deepening disenchantment. This does not

[1] Talcott Parsons and Gerald Platt, *The American University* (Cambridge, MA: Harvard University Press, 1973).
[2] Evan Schofer and John Meyer, 'The World-Wide Expansion of Higher Education in the Twentieth Century' (Ms.), (Palo Alto: Stanford University, 2004).

appear to be a short-lived phenomenon. The 'massification' of higher education has an unfriendly sound, faintly reminiscent of Ortega y Gasset's prophecy about the 'rise of the masses';[3] and books describing the rise of 'academic capitalism' express declining faith in the 'university idea'.[4] Among many others, Peter Weingart has described this phenomenon as a manifestation of the 'scientification' of society, which he sees emerging alongside an increasing control of science by society.[5] With increasing control has come a loss of traditional forms of autonomy. Certainly, science penetrates the 'knowledge society',[6] and, in turn, is increasingly subject to public expectations. Some see this simply as the price that universities have had to pay, the logical consequence of receiving public money.[7] However, the implications are far-reaching.

Simultaneous growth and loss of autonomy are now dominant features of the German university system. Since the 1980s, 'new public management' (NPM) has become the keyword.[8] Its basic slogans – 'more market', 'less regulation', and 'strong leadership' – have become commonplace. The universities, like other public ser- vices – such as transport, telecommunications, hospitals, and schools – have become sites of application for NPM. The process began after reunification, and still has a long way to go. Every- where it has been controversial. It has gathered strength from a coincidence of factors, including a growing sense of public unease with academic autonomy and an expanding opportunity structure that favours political intervention. If allowed to continue unchecked in its present form, it is argued, the process may threaten the most distinctive features of academic life. **(← p. 362)**

'NPM' AND THE ACADEMIC PROFESSION

The 'traditional' German university was once described by Burton Clark as a combination of political regulation by the state and professional self-control by an 'academic oligarchy'.[9] Since the early nineteenth century, the Humboldtian idea of 'solitude and freedom' was associated with control by the state, which gave funds and other privileges to professors in return for political subordination.[10] De- spite the radical reorganization

[3] Michael Gibbons *et al*., *The New Production of Knowledge: The Dynamics of Science and Research in Contemporary Societies* (London: Sage, 1994).

[4] Sheila Slaughter and Larry L. Leslie, *Academic Capitalism: Politics, Policies, and the Entreneurial University* (Baltimore: Johns Hopkins University Press, 1997).

[5] Peter Weingart, 'Verwissenschaftlichung der Gesellschaft – Politisierung der Wissenschaft', *Zeitschrift fu̇r Soziologie*, 12 (3), (1983), 225–241.

[6] Nico Stehr, *Knowledge Societies* (London: Sage, 1994).

[7] Gibbons *et al*., *op. cit*. note 3.

[8] For an overview, see Ewan Ferlie, *The New Public Management in Action* (Oxford: Oxford University Press, 1997).

[9] Burton Clark, *The Higher Education System: Academic Organisation in Cross- National Perspective* (Berkeley: University of California Press, 1983), 140.

[10] Joseph Ben-David, *The Scientist's Role in Society* (Englewood Cliffs, NJ:

that began after 1945, the German university system is still characterized by this 'historical compromise' – combining state funding and regulation with constitutional guarantees of the 'freedom of teaching and research'. In legal terms, this is expressed by the recognition of the dual nature of universities as both public institutions and autonomous corporations.[11]

In effect, this means that the institutional autonomy of the university is low, whilst the autonomy of individual professors is high. With respect to the 'academic oligarchy', professors remain the pil- lars of the system – a 'chair-based organization' of 'small monopolies in thousands of parts'.[12] With their 'freedom of teaching and research', chair-holders are comparable to small businessmen with staffs of subordinates. But as civil servants, they also enjoy the special rights of an occupational group that has complete job security. To put it in a nutshell, chair-holders are small businessmen who cannot go bankrupt.

From the chair-holder's point of view, the university and the department to which s/he belongs is a local corporation of col- leagues – that is, the other chair-holders – among whom there is a basic equality of rights and opportunities.[13] This is institutionalized by a peculiar non-use of formal rights. As each chair is a sovereign unit, academic control is decentralized. University leaders – rectors and deans, for example – cannot disregard a majority vote taken

(← p. 363)

by their colleagues on the University Senate or Faculty Council. Traditional governance thus limits hierarchical authority. However, most issues are not put to majority vote; instead, consensus is sought among the representatives of collegial bodies, and among those who may be affected – or who may feel affected – by a particular outcome. Amongst chair-holders, this practice is understood as *Kollegialität* ('cooperativeness'). A chair-holder can normally expect that no decision will be taken that violates his interests. These implicit 'non-aggression pacts' transform a formal structure of majority rule into a structure of informal veto-powers.[14]

These 'non-aggression pacts' stem from practical considerations. First, one ought to avoid conflicts with associates. Second, the university must uphold academic solidarity against external threat – especially from government. Third, the mobilization of a majority of votes for any one academic's interests requires an enormous effort to form at best a fragile coalition. Fourth, even where this is achieved, no-one can be sure always to be on the winning

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Prentice-Hall, 1971), 108–138.

[11] Otto Kimminich, 'Hochschule im Grundrechtssystem', in Christian Flämig *et al*. (eds.), *Handbuch des Wissenschaftsrechts* (Berlin: Springer, 1982), vol. 1, 56–90.

[12] Clark, *op. cit*. note 9, 140.

[13] In the 1970s, other status groups gained some formal rights of participation. But the dominant position of the chair-holders has remained.

[14] Uwe Schimank, *Hochschulforschung im Schatten der Lehre* (Frankfurt/M.: Campus, 1995), 222–258.

side. Such considerations motivate chair-holders not to take 'uncooperative' initiatives. As a result, collegial authority exhibits the features of a 'receding locus of power: ... wherever or at whatever level one applies to the organization, the ''real'' decisions always seem to be taken somewhere else'.[15] The consequences are obvious: decision- making takes a lot of time; and the *status quo* can be changed only when everybody benefits, or at least where no one suffers significant loss. Compromises are reached, which often contribute to poor or symbolic decisions.

As long as an organization has no need of change, or if change consists only in the distribution of additional resources, everyone can live with such a practice. However, this is not the situation in which German universities now find themselves. On the contrary, problems have not been solved, and have accumulated; and government has seen collective decision-making as the central cause of the university's inability to meet the challenges of modern society. **(← p. 364)**

When NPM appeared on the German scene in the second half of the 1990s, it was seen as a way of breaking the 'reform blockade' – as it was called.[16] In general, five factors are involved in university governance:

- financial support and regulation by the state;
- external guidance, whether by the state or by delegated authority;
- institutional competition;
- hierarchical management; and
- academic self-governance.[17]

It is easy to see that in all five aspects, NPM offers new remedies. Traditionally, academic

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[15] Trevor Noble and Bridget Pym, 'Collegial Authority and the Receding Locus of Power'. *British Journal of Sociology*, 21 (4), (1970), 431–445. These authors studied this phenomenon in a large British public agency. For the same phenomenon at German universities, see Uwe Schimank, 'Festgefahrene Gemischtwarenla¨den – Die deutschen Universita¨ten als erfolgreich scheiternde Organisationen', in Erhard Stɑting and Uwe Schimank (eds.), *Die Krise der Universitäten. Leviathan Sonderheft 20/2001* (Wiesbaden: Westdeutscher Verlag), 223–242.

[16] For the most comprehensive statement regarding NPM with respect to German universities, see Hans Brinckmann, *Die neue Freiheit der Universität. Operative Au- tonomie für Lehre und Forschung an Hochschulen* (Berlin: Sigma, 1998). An important earlier study was Karl Alewell, *Autonomie mit Augenmaß – Vorschläge für eine Stärkung der Eigenverantwortung der Universitäten* (Gɑttingen: Vandenhoeck & Ruprecht, 1993). Both Brinckmann and Alewell were university presidents when they wrote their books.

[17] These five dimensions derive from Burton Clark's well known initial 'triangle of coordination' ('state', 'market', 'academic oligarchy'), to which he himself later ad- ded a fourth mechanism ('organization'). See Clark, *op. cit*. note 9, and *idem, Cre- ating Entrepreneurial Universities*: *Organisational Pathways of Transformation* (Oxford: Pergamon Press, 1998). In addition, the 'state' dimension can be further split into two different dimensions ('regulation' and 'guidance'), according to Diet- mar Braun and Francois-Xavier Merrien, 'Governance of Universities and Modernisation of the State: Analytical Aspects', in Dietmar Braun and Franc¸ois-Xavier Merrien (eds.), *Towards a New Model of Governance for Universities? A Comparative View* (London: Jessica Kingsley Publishers, 1999), 9–33.

self-governance survived alongside state regulation. NPM strengthens hierarchical management by rectors and deans, as well as by state authorities and external stake- holders – including industry – while implying deregulation in budgeting and personnel management, and in the approval of pro- grammes. This is what Government usually means when it prom- ises greater 'autonomy' to universities.[18] Overall, however, a reduction in academic self-governance is an explicit goal of NPM, for reasons that will be explained.

At the core of NPM lies the principle of increased competition among and within universities – competition for resources, students, and national as well as international standing. To achieve **(← p. 365)** competitiveness, universities deregulate, create new leadership, and accept a greater measure of public intervention. Spelled out in this way, it becomes clear that NPM is not just a bundle of loosely coupled changes, but rather an integrated approach, seeking an overall redirection of the entire system. Its message: replace the old regime, dominated by a state-regulated profession, with a new regime, dominated by a market- and state-driven organization.

In this game, the academic profession is the loser. External interests, university leaders, and especially Government seem to be the winners.[19] This far-reaching transformation, which is beginning to gather speed in Germany, is being initiated and literally forced upon universities by the ministries of the different *Länder* (the states of the Federal Republic). In this process, Government retains its considerable influence, but instead of operating through regulation, turns towards 'management by objectives'. This is executed directly by the ministries, or else delegated to university boards with representatives of external interests.

Not many of NPM's demands have as yet been implemented. There are considerable differences between the sixteen *Länder*,[20] and also between different universities within the same *Land*. Some *Länder* – such as Lower Saxony – and some universities – such as the Technical Universities of Munich and Darmstadt – have sought to accept the idea, and to become 'motors of reform'. Others have been less quick to act. Specific measures also vary, even within the same *Land*. University boards, for example, differ widely with respect to their composition and competencies.[21] Still, the reform agenda is gathering momentum, and the general direction of change signalled by NPM is the same everywhere.[22] **(← p.**

[18] This refers to institutional autonomy. It should not be confused with professional autonomy in matters of teaching and research.

[19] Dietmar Braun, 'New Managerialism and the Governance of Universities in a Comparative Perspective', in Braun and Merrien, *op. cit*. note 18, 239–261. With respect to ministries, one must recognize that they give up certain powers of regu- lation but endow themselves with a much greater power of guidance.

[20] The Federal Government can only regulate the 'framework' of the German university system. Therefore, beyond a limited number of very general issues, all specific features of university reform are decided upon by the *La¨nder*.

[21] Renate Mayntz, 'University Councils: An Institutional Innovation in German Universities', *European Journal of Education*, 37 (1), (2002), 21–28.

[22] Despite some dispute between Social and Christian Democrats about certain issues of policy – notably, fees, and research and technology policy – between Social

At the close of 2004, the German situation stood as follows.[23]

State Regulation

All *Länder* have implemented policies of deregulation that are expected to bring about gains in efficiency. These have given universities room to manoeuvre by abandoning many features of public budgeting, and by introducing lump sum budgeting.[24] In five *Länder*, universities can choose their legal status. They may remain public institutions, but may also opt to become foundations. This opens additional possibilities for manoeuvre in financial and organizational matters, even though universities remain bound to the public sector salary structure and its rigid employment categories. The approval of study programmes has been delegated from the ministries to newly founded agencies of accreditation, where peer assessment and quality criteria are given a stronger role. It is up to the government of a particular *Land* to decide whether a given programme at a given university fits into the overall planning of that *Land*.

Government authorities are reluctant to relax regulations relating to the structure and size of Faculties and to the appointment of professors. A few *Länder* have done away with the State's right of approval of the appointment of professors, and have delegated this decision to rectors.

External Guidance

Since the 1980s, the *Länder* have set up commissions to assess universities' teaching and research capacities. These have initiated redirections in programmes and research priorities. Recently, 'management by objectives' has become institutionalized in the form of mission-based contracts between ministries and universities. In theory, such contracts should not produce recommendations, but only statements of objectives; in practice, however, this flexibility is not granted, and **(← p. 367)** ministries revert to regulation under the guise of NPM. For example, instead of formulating a goal that the proportion of women students in certain areas should be increased by a given percentage over the next six years, leaving the actual

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and Christian Democrats, there is a remarkable consensus among politicians of all major parties about the basic elements of NPM. This means that those opposed to its implementation cannot find allies among policy-makers – in contrast to the situation in the 1960s and 1970s.

[23] The following relies heavily upon an interim report of a research project funded by the *Deutsche Forschungsgemeinschaft*, which I co-direct with Jürgen Enders (Twente) and Barbara Kehm (Kassel). See Ute Lanzendorf and Karsten Gerlof, 'Changes in the Governance of Public Research in Germany' (Ms.), (Kassel: University of Kassel, 2004). For a brief overview of some of the issues, see also Klaus Hüfner, 'Governance and Funding of Higher Education in Germany', *Higher Education in Europe*, 28 (2), (2003), 145–163.

[24] One major reason for granting more financial autonomy to the universities may have been to shift blame for cuts from government to university leaders.

achievement of the goal to each university, ministries prescribe detailed and uniform procedures as well as structures for 'gender mainstreaming'.

The role of external interests within university management varies widely with regard to influence and position. It remains to be seen whether *Länder* authorities are willing to accept their recommendations.

Competitive Pressures

There has always been a competitive element among the universities, and this has grown with increasing dependence for research funds upon the *Deutsche Forschungsgemeinschaft* (German Research Foundation, or DFG), the Federal Ministry of Research and Edu- cation, the European Union, and industry. Recently, in order to increase the worldwide competitiveness of the German system, the Federal Government has suggested the creation of 'elite universities', which it wants to support with extra money to improve conditions for research and graduate training. Although the *Länder* need additional resources very much, they have blocked this initiative because they fear it will produce destructive competition. Also, as long as a culture of consensus exists among the *Länder*, it would be no surprise if a commission came to the conclusion that there should be exactly sixteen German 'elite universities' – one for each *Land*.

With respect to teaching, most observers expect that student fees will be introduced soon. In January 2005, some *Länder* won a case at the constitutional court against the prohibition of fees by the Federal Government. Fees will result in increased competition for students. Measures to improve competitive standing include a new salary scheme for professors, laid down by the Federal Government, which awards about one third of salary according to performance. All *Länder* have begun evaluations; in some, Lower Saxony for example, evaluation agencies have been established, among which methods and criteria differ considerably. In most cases, peer review and indicator-based formulas are being used to distribute public funding.

Hierarchical Management

During the 1990s, the formal powers of rectors and deans increased in all the *Länder*. Many decisions can now be made without a **(← p. 368)** majority in a Senate or Faculty. In six *Länder*, deans allocate financial and personnel resources.[25] Terms of office have been extended. Deans who were elected for two years now serve four. Moreover, in five *Länder*, deans need dual approval – from their Faculty and from their rector. They are seen as 'men in the middle', representing their Faculty's interests, but also implementing the rector's policies – if necessary, against the will of the majority within their Faculty. All in all, the system is acquiring features of hierarchy comparable to those of business or Government.

[25] This excludes resources personally dedicated to individual professors.

The top of the hierarchy is no longer merely a symbolic figure.

Academic Self-regulation

At the moment, measures to build hierarchical management remain incomplete. The consensus-oriented culture compels many in leadership to act as if they had no new powers. Thus, formal authority remain unused, and consensus is still sought. One reason is that rectors and deans know they will one day return to the 'rank and file', and do not wish to make enemies among those who will succeed them. But the more important reason is that most academics have internalized the organizational culture of consensus. The fact that university Senates and Faculty councils have lost many of their formal powers does not prevent them from putting rectors and deans under considerable informal pressure.

The overall picture bears similarities to that emerging in Britain, Australia, The Netherlands, and Austria.[26] And although a late- comer to NPM, the experience of Germany offers some instructive lessons. To these I will now turn.

DISTRUST OF ACADEMIC SELF-GOVERNANCE

In Germany, the State has remained as powerful as ever. By contrast, the academic profession has lost ground. This is what NPM is all about – although this goal is rarely made explicit. To adopt a phrase of Richard Scott, German universities are moving from being 'autonomous' to being 'heteronomous professional **(← p. 369)** organizations'.[27] They will remain professional organizations; but academics will be subordinated to leaders who, in turn, will be increasingly subject to intervention.

One reason for 'reform' is that politicians, students, industry, and other interests have lost trust in professorial autonomy. Again, it was Parsons who pointed out that academic freedom, as enjoyed by professors, is based on trust in their commitment to the values of 'cognitive rationality'. This is what the universities – as keys to the 'cognitive complex' of the 'fiduciary sub-system' of modern society – are supposed to defend.[28] This trust is embedded in the belief that the professorial commitment will benefit society at large.

Certainly, unlike occupations controlled by government rules, market competition, or

[26] Uwe Schimank and Frank Meier, 'Neue Steuerungssysteme an den Hochschulen. Expertise im Rahmen der Fo¨rderinititiative, ''Science Policy Studies'' des BMBF', (*http://www/sciencepolicystudies*).

[27] W. Richard Scott, 'Reactions to Supervision in a Heteronomous Professional Organisation', *Administrative Science Quarterly*, 10 (1), (1965), 65–81.

[28] Parsons and Platt, *op. cit*. note 1, 123–162.

democratic procedures, academics largely control themselves.[29] In most trade relationships, trust plays a negligible role – there are other checks and balances. Within academia, this is different. Trust is an almost universal ingredient in social relations. The academic's status *vis-a`-vis* his clients rests upon trust; if it erodes, his profession is in trouble.[30]

The pressures for NPM indicate that the academic profession has run into difficulties. These difficulties have coincided with two larger developments – massive growth, and an increasing demand for relevance.

From the mid-1960s to the mid-1970s, numbers of students and university staff more than doubled. Since then, student numbers have continued to grow; although the increase in staff has levelled off, owing to Germany's fiscal difficulties.[31] This brief but intense period of expansion has had many consequences, two of which are **(← p. 370)** especially important.[32] First, the speed of expansion – driven by fast-growing student numbers – meant that many academics were recruited rather early in life, to become professors for the rest of their lives. Some of these were, inevitably, mediocre. One need not overstate the case by imagining an ideal 'golden age'. But the quality of the professoriate has arguably fallen since the 1960s, as would be the case with any occupation faced with a sudden in- crease in demand without a simultaneous increase in supply.[33]

A second effect, the transition to a system of 'mass higher education',[34] has contributed to the deterioration of standards in teaching and research. With a widening gap between student numbers and numbers of academic staff, teaching loads have grown heavier, and the quality and quantity of research has suffered.[35] The fact that a growing share of the population has had first-hand experience of instructors unable to live up to the expectations their students have of them, should not be dismissed as a causal factor in public disillusionment.[36]

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[29] Eliot Freidson, *Professionalism – The Third Logic* (Chicago: University of Chicago Press, 2001).

[30] Michael Power's diagnosis of an 'audit society' traces this erosion of trust in other professions and organizations as well – including commercial enterprises, doctors, and schools, among others. See Michael Power, *The Audit Society: Rituals of Verification* (Oxford: Oxford University Press, 1997).

[31] Schimank, *op. cit.* note 15, 58–79; Uwe Schimank and Markus Winnes, 'European Comparison of Public Research Systems: National Report: Federal Republic of Germany' (Ms.), (Ko¨ln: Max-Planck-Institut fu¨r Gesellschaftsfors- chung, 1999), 209–220; Bundesministerium fu¨r Bildung und Forschung, *Faktenbe- richt Forschung 2002* (Bonn, 2002), 434–443.

[32] Neil Smelser noted similar consequences of growth for the California higher education system between the 1950s and the 1970s. See 'Growth, Structural Change, and Conflict in California Public Higher Education', in Neil Smelser and Gabriel Almond (eds.), *Public Higher Education in California* (Berkeley: University of Cali- fornia Press, 1974), 9–141.

[33] Afterwards, supply did increase, not least because of the increasing number of students; but in the 1980s, almost all professorial positions were filled, and no new ones were established.

[34] Gibbons *et al*., *op. cit*. note 3, 70–89.

[35] Schimank, *op. cit*. note 15, 80–123.

This experience was one of the forces underlying student unrest in many countries during the late 1960s. In Germany, the situation was aggravated by the real or suspected entanglement of some older professors with the Nazi regime.

Demands for Relevance

For many years after the Second World War, Western governments were satisfied with the promise of a vague long-term 'return on investment' from academic research. This doctrine, prominently expressed in Vannevar Bush's *Science, the Endless Frontier*, was implemented in Germany with an emphasis upon certain technologically important areas, such as nuclear energy. This 'golden age' – from the perspective of academic autonomy – ended abruptly in the 1970s, and gave way to a much more specific insistence on **(← p. 371)** particular outcomes.[37] Technology transfer to industry, the military, and the social services increased.[38] Selective priorities – to promote technologically-promising scientific developments through 'targeted' basic research – became familiar.[39] The language of 'Mode 2' has embraced these developments.[40]

As a result, Germany's universities have lost standing, at just the time as they are being made more responsive. The changeover to a Bachelor/Master's structure within the 'European Higher Education Area' is a recent manifestation of this requirement. Moreover, research has now to aim at goals set by non-academic users. The old linear model from basic research to technology, driven by 'supply push', has been replaced by a more complicated model, stressing the interplay of 'demand pull' and 'supply push'.[41]

Some professors have responded to these challenges by seeing them as opportunities. However, most have reacted defensively, fearing a loss of autonomy – of 'solitude and freedom'. It is not surprising that this defence is misunderstood by Government, which sees it as a refusal of spoilt professors to leave the 'ivory tower'. The clash of cultures could not be stronger: what one side views as a necessary condition for work that benefits society at large, the other interprets as a profound lack of interest in the needs of society. Deeply distrustful, policy-makers have come to read 'autonomy' as 'irresponsibility'. **(← p. 372)**

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[37] See Andreas Stucke, *Institutionalisierung der Forschungspolitik: Entstehung, Entwicklung und Steuerungsprobleme des Bundesforschungsministeriums* (Frankfurt/ M.: Campus, 1993), and Dietmar Braun, *Die politische Steuerung der Wissenschaft: Ein Beitrag zum 'kooperativen Staat'* (Frankfurt/M.: Campus, 1997).

[38] Uwe Schimank, 'The Contribution of University Research to the Technological Innovation of the German Economy: Societal Auto-Dynamic and Political Guid- ance', *Research Policy*, 17 (3), (1988), 329–340.

[39] See Wilhelm Krull and Frieder Meyer-Krahmer, 'Science, Technology, and Innovation in Germany – Changes and Challenges in the 1990s', in Wilhelm Krull and Frieder Meyer-Krahmer (eds.), *Science and Technology in Germany* (London: Cartermill, 1996), 3–29; and Kerstin Cuhls, Christian Uhlhorn, and Hariolf Grupp, 'Foresight in Science and Technology – Future Challenges of the German S&T System', idem. 63–81.

[40] A similar message was strongly criticized during the 1970s, during the debate about 'finalization' as an ideological distortion of the true mission of science. See Peter Weingart, 'From ''Finalization'' to ''Mode 2'': Old Wine in New Bottles?', *Social Science Information*, 36 (4), (1997), 591–613. That this kind of criticism, based upon the supremacy of curiosity-driven research, is almost totally absent today indicates the weakness of the traditional view of the academic profession.

[41] Donald Stokes, *Pasteur's Quadrant – Basic Science and Technological Innovation* (Washington, DC: The Brookings Institution, 1997), 84–89.

Financial Limits

Since the 1970s, German governments have had lower revenues to meet an increasing range of economic and social priorities.[42] In consequence, the university system has suffered, both in staff numbers and with respect to buildings and equipment. Under European Union rules, Federal research funds have been redirected to Brussels, a procedure that now requires German universities to compete with the universities of other European countries.

Generational Change

The introduction of NPM is seen as the way to improve quality, relevance, and efficiency. In this context, professorial autonomy and 'academic oligarchy' are seen as the enemy. However, the development of NPM is limited by the fact that German professors currently enjoy unlimited job security. Not only do they have tenure – they also benefit from civil servant status, and so cannot be dismissed from their positions, except in cases of serious crime. Ministries of education and research have turned to performance measurements to guide the allocation of resources. However, it is neither possible to caution a professor whose performance is weak; nor is it possible to substitute a weak performer with a better one. There are few ways to 'correct' poor performance.

Fortunately for the system, during the next few years many professors will retire. Ministries are determined to make use of this window of opportunity, by making the salaries of newly-recruited professors dependent upon relative performance. The resources that a professor will receive – from funds for assistants to space and equipment – will be allocated on a temporary basis. In addition, the next generation of professors – so the authorities hope – will no longer be so strongly identified with professorial autonomy. In this way, the Government hopes to avoid putting 'new wine in old bottles'. If many of the 'old bottles' are replaced by new ones, the NPM culture can be more easily implanted.

Whatever happens, if professors do nothing but insist upon the restoration of the *status quo ante*, a weakened professoriate is a certain outcome. **(← p. 373)**

DEFENDING SELF-REGULATION

At the close of the 1960s, Parsons was convinced that Western academics had a bright future:

> It is my view that the professional complex, though obviously still incomplete in its development, has already become the most important single component in the structure of modern societies. It has displaced first the 'state', in the relatively early modern sense of that term, and, more recently, the 'capitalistic' organization of the economy.[43]

[42] See Schimank, *op. cit*. note 15, 70–79, Schimank and Winnes, *op. cit*. note 32, 214–220, and Bundesministerium fu¨r Bildung und Forschung, *op. cit*. note 32, 390– 392.

[43] Talcott Parsons, 'Professions', in *International Encyclopedia of the Social Sci- ences* (New

Parsons expected professionalism to become the dominant mode of modernity. However, we now live in a society in which knowledge penetrates all spheres of action, but where the academic profession has lost the prestige and trust it once enjoyed.

It is a bitter irony that it is the university – the institution where the academic role took hold – that is in danger of becoming de-professionalized. Many questions may be asked about what can and should be done to restore status and self-regulation. I restrict myself to just one aspect.[44]

The central failing of the academic profession, which has be- come very clear in the German case, lies in its insistence upon individual autonomy and egalitarianism. The latter shapes not just the profession's self-presentation to outsiders, administrators, and Government.[45] It also manifests itself in the consensus culture of university decision-making, which *de facto* gives each professor a power of veto. But nobody can deny that there are strong and weak performers among professors, as in any other occupational group. This has always been the case; but these days, governments **(← p. 374)**

question the collegial *façade*. Governments must insist that public money is well spent.[46] The State confronts academia with a choice: 'Either you dispense with the weak performers among you, or we will let you all suffer!' Or in the more extreme case: 'We will let some of you suffer whom we select at random – and chances are high that strong performers will be among them!'

For example, North-Rhine Westphalia intends to assess universities using two simple indicators: numbers of students graduating per professor, and the level of third party income per professor. Those academics found significantly below their discipline's average will be in trouble.[47] Taken in isolation, such indicators can be mis- leading. Policy-makers know they can be spurious. But they are used because they require no special knowledge of the different disciplines. And where academics have offered no better data, policy- makers simply say that the data they have are better than none.

York: Macmillan and Free Press, 1968), vol. 12, 536–547.

[44] For a more extensive treatment, see Uwe Schimank, 'Leistungsbeurteilung von Kollegen als Politikberatung – Am Beispiel von Evaluationen im Hochschulsystem', in Rainer Schuetzeichel and Thomas Bruesemeister (eds.), *Die beratene Gesellschaft* (Wiesbaden: Verlag fu¨r Sozialwissenschaften, 2004), 39–56.

[45] Of course, relative performance – especially 'performance deficits' – is a prominent topic of informal gossip within the academic profession. But formal decision-making within German universities proceeds as if this were unknown. There are two long-established kinds of formal decisions where relative performance is a crucial element: peer reviews of articles submitted to journals, and project proposals submitted to such agencies as the DFG. However, these are assessments restricted to a specific article or project, not assessments of someone's professional qualities as a whole. Still, peer reviews are a delicate matter, and so reviewers remain anonymous to the reviewed, and only the reviewed are told whether an article or a proposal is not accepted.

[46] A popular rejoinder is that public agencies should show that they are efficient, before pressing others in this direction.

[47] The best strategy of defence against this procedure would be to ensure that the relevant data are as similar as possible for all units.

In these circumstances, German academics face important challenges. First, they should seek to restore public trust. This will re- quire a better balance between professorial autonomy and professional responsibility. It may entail a general acceptance of quality controls, demands for relevance, and criteria for measuring efficiency, in the knowledge that performance differences must be disclosed and analysed. This does not mean that current government policies in respect of evaluation, resource allocation, and recruitment should be passively accepted. On the contrary, academics should no longer leave evaluations to others, but should invest in self-defined measures of quality, relevance, and efficiency, and in the collection and propagation of data, as is done in the UK and Australia. Destructive, 'one formula fits all' approaches should be replaced by discipline- and Faculty-specific criteria, rendered trans- parent to the paymasters.

Second, where critical self-evaluation prompts decisions that run counter to the prevailing interests of Faculties, institutes, and professors, such decisions must be taken by university administrators, rectors, and deans. In this respect, a weakening of academic self- governance is unavoidable. From countless examples, the lesson can be drawn that a collegial association is unable to make decisions that favour some of its members to the disadvantage of **(← p. 375)** others. This is the limit of professional self-control. There should be no great difficulty in fashioning a system in which – as in the USA – strong university leadership coexists with a strong professoriate.

Taken together, present circumstances invite a careful reconsideration of governance in the German university system. To put it as a bargain: if academics can be persuaded to be more account- able, then university managers and ministries should learn to trust them; and if the taking of hard decisions is based on academic self-evaluation, academics should accept them. Of course, individual professors may react with indifference or hostility; but the professoriate as a whole must learn to take a broader view. A new social contract is required between those who produce and diffuse knowledge, and those who guard the public purse. **(← p. 376)**