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SMALLER CAN BE BETTER

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Although the full extent of the damage is not known even now, the twin natural disasters of Hurricanes Katrina and Rita unmistakably delivered a severe blow to the Louisiana economy, coastline and wetlands, business establishments, infrastructure, educational institutions, hospitals and nursing homes, and every other organization and agency that depends on public financing. In addition to the hurricane-force winds, drenching rains, storm surge, and flooding that were spawned by Katrina and Rita, these two hurricanes left in their wake a very serious State budget crisis on both sides of the financial ledger: (1) an eroded tax base that is not producing the expected tax revenues; and (2) unmet human and other needs that cry out for public support. Public officials throughout the State, not just in the immediately impacted areas of New Orleans, St. Bernard Parish and Jefferson Parish, and Lake Charles and Cameron Parish are confronted by what is perhaps the most difficult task in the State's history of finding other revenue sources, increasing expenditures, reallocating already appropriated funds to higher-priority needs, or all three.

The need to set priorities, along with the limits imposed on the State budgeting process by nondiscretionary spending, means that some areas of spending, principally health care and higher education, likely face the heaviest funding cuts. Our comments are restricted to higher education.

Before Katrina and Rita struck the State, appropriations for higher education in Louisiana for fiscal year 2005-2006 totaled \$1.332 billion.¹ The three largest items in the budget are \$169 million for the State's flagship university LSU in Baton Rouge, \$126 million for the LSU Health Sciences Center in New Orleans, and \$124 million for TOPS which is the State's tuition assistance program for undergraduate students. The fourth largest single item in the higher education budget is \$81 million for the LSU Center for Agricultural Sciences and Rural Development. The other state universities in Louisiana operate with much smaller appropriations. For example, University of New Orleans is budgeted for \$57 million, \$28 million is appropriated for McNeese State University in Lake Charles, and Nicholls State University in Thibodeaux is budgeted to receive \$26 million.

¹ Tuition payments, funds from federal government sources, and self-generated revenues are not included in these figures. Information obtained from the Center for the Study of Education, Illinois State University that compiles data supplied by cooperating state agencies. While the data available from the Center may not reflect the most recent revisions, they no doubt accurately show the universities and programs that receive the largest appropriations.

Conservative estimates put the deficit in the budget for all State agencies and programs at roughly \$1 billion. In September a freeze was imposed on higher education budgets across the State, followed by cuts of 3 percent and 5 percent announced in October. Deeper cuts are likely to be forthcoming when the state legislature convenes. State universities can be expected to resist further cuts with every means at their disposal, pleading that their budgets already are cut to the bone.

There is a powerful element of truth in their defensive posture. Universities are expensive enterprises that year in and year out are becoming even more costly to operate. Cutting back means not just reducing the waste that is present in virtually every large organization but also reducing support for instructional, research, and service programs. In the hardball world of private enterprise, it means downsizing. Thus, for higher education in Louisiana, the question becomes ‘Where best to downsize’? A few questions suggest where the budget hammer might fall.

Does it make sense to provide nearly \$125 million in tuition grants to undergraduate students and at the same time expand and enhance very costly *graduate and professional degree programs* by siphoning faculty resources from *undergraduate degree programs*? The siphoning takes the following forms: (1) reducing undergraduate course offerings from, for instance, every semester to the fall or spring semester only; (2) cutting back the number of sections of introductory courses and putting more students in the remaining sections; (3) assigning heavier teaching loads to faculty who teach at the undergraduate level in order to assign much lighter teaching loads to faculty who teach graduate-level courses and are expected to publish their research findings.

At one state university, for example, one section of introductory economics has 117 students enrolled, while one graduate level course in economics has 4 students enrolled. At that same university, some full-time, fully-credentialed faculty are teaching three courses per term at the undergraduate level while others are teaching only one at the graduate level. At times, graduate faculty with the lighter teaching loads even are paid overloads to boost their workload from one course to two courses per term.

The undergraduate program in effect has become a cash cow for the graduate program. Further, many of the graduate students are foreign nationals. Overwhelmingly, the undergraduate student population is Louisianan. Does it make sense to ask the Louisiana taxpayer to sacrifice the quality of the undergraduate educational experience of the many sons and daughters of Louisiana parents in order to support the graduate experience of the few sons and daughters of parents living in other countries who shoulder none of the State’s crushing fiscal burden?

This siphoning has the following effects on undergraduate students: (1) with course offerings scaled back, completing an undergraduate degree program in four years becomes more difficult and therefore more costly for the student; (2) with faculty teaching heavier undergraduate workloads, improving the written communication skills of undergraduate students becomes even more difficult because that work is most demanding of all; and for the very same reason (3) counseling and mentoring undergraduate students which also is

time-consuming is ruled out by the faculty teaching undergraduate students because those activities matter little or not at all in annual faculty performance evaluation. In addition, to the extent that introductory undergraduate courses are taught by graduate students for whom English is a second language, teaching undergraduates how to write well becomes even more problematic. Mentoring and counseling too become more problematic because graduate students typically lack the experience necessary to be a good mentor.

Senior administrators will defend costly graduate and professional degree programs on grounds that they enhance the prestige of the university and that the grants and contracts which are landed by the faculty assigned mainly to research pay for much of the cost of supporting that faculty. Graduate and professional students will defend these programs on grounds that they would be required to pay much more at universities elsewhere in the country. Local businesses will defend these programs on the premise that what's good for the local university is good for the local economy. Faculty will defend these expensive programs because they drive up their salaries, provide a pool of obedient assistants for the menial tasks involved in university research, and trim teaching workloads.

Who will challenge this strong coalition of special interests? Who will insist that the very first priority of the financially strapped state universities in Louisiana is to provide instruction at the undergraduate degree level that is not compromised for the sake of graduate and professional degree programs? Who will stand up and assert that, notwithstanding the recent successes of LSU football against the best in the country, Louisiana simply does not have the financial resources to elevate its graduate and professional degree programs to the status of the top universities in the region -- Rice, Duke, Vanderbilt, Emory -- much less the best in the country?

Some will retort that this is a defeatist, provincial attitude. We argue instead that leaner can be stronger, smaller can be better. And if we are wrong, the proof lies in the same kind of standard that is applied to Louisiana grade schools and high schools: standardized test scores for those who are awarded bachelor degrees from state universities in Louisiana compared to the scores of the graduates of other state universities.

The following 15 suggestions, reflecting more than 25 years on the faculty at one of Louisiana's state universities and having taught more than 7,000 undergraduate students, would reduce costs, release faculty for more important work, improve instructional quality especially as to written communication skills, or all three.

- Eliminate puff courses such as social dancing, bowling, and racquetball that students use to inflate their grade point average.
- Privatize university bookstores, student housing, and janitorial services.
- Cut out courses that orient freshmen students to the university campus who for years were able to do this on their own.
- Abolish cash bonuses for faculty publications in elite journals.
- Hold fast to the requirement that a course is offered only if 10 students are enrolled.
- Require everyone on the faculty to teach at least 2 courses per term or buy out their teaching assignment with monies from contracts or grants.

- Call for TOPS students to reimburse the State for any courses taken with a failing grade.
- Hire retired faculty on a part-time basis to teach courses that otherwise cannot be taught without hiring much more costly new faculty.
- Establish a master teaching track for qualified undergraduate faculty who would teach 3 courses per term and assign substantial term papers but would not have to maintain a research and publication record.
- Demand that every state university operate on the semester system to reduce the additional costs of operating on the quarter system, such as 3 instead of 2 pre-registration advising weeks, mid-term attendance reports, final exams, end-of-term reports, graduation ceremonies.
- Insist that honors graduate (*cum laude*, *magna cum laude*, *summa cum laude*) complete a supervised senior thesis.
- To assure that the senior thesis is a substantial research enterprise, require the faculty to submit every year their supervised senior theses for outside double-blind review.
- Prohibit undergraduate students at selective-admissions universities from completing their science, English, and math requirements by transferring courses taken at open-admissions universities.
- Continue to promote faculty as indicated by their performance, but maintain them at their current pay until the budget crisis is over.
- Require all state university athletic departments to operate in a way that assures that they do not draw funds from the university budget to cover their operating deficits.

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