

THE UNIVERSITY OF MICHIGAN

SENATE ASSEMBLY

Minutes of Regular Meeting, January 19, 1981

ATTENDANCE

Present: Ackley, Barnard, Barritt, Baumgarten, Beck, Berg, Bishop, D.B. Brown, D.R. Brown, K. Brown, M. Brown, Browne, Burdi, Cares, Cohen, Crane, DeKornfeld, Duderstadt, Eckert, Esteban, Flener, Fraser, Friedman, Frost, Gordon, Becker, Groves, Hilbert, Hildebrandt, Hinerman, Holland, Hultquist, Cooper, Kelsey, Kirkpatrick, Koran, Loup, Lynch-Sauer, Maassab, McClendon, Meyer, Millard, Mosher, Nagy, Naylor, Nisbett, O'Meara, Parkinson, Pollock, Powers, Romani, Root, Rowe, Rush, Senior, Sisman, Vinter, White, Wyers, Wynne, Rothman.

Absent: Bacon, Carpenter, Cassidy, Morrison, Fearn, Gray, Ehrlich, Haddock. Liepman, Lynch, Tek, Verhey, Weiner.

MINUTES

The minutes of the Senate Assembly meeting of December 15, 1980 were approved as written.

ANNOUNCE-  
MENTS

1. Chairman Naylor announced that four subcommittees have been established by the Budget Priorities Committee (BPC) to collect information and facts concerning several units and/or activities (i.e., CRLT, Extension Service, Michigan Media and Recreational Sports) as to the implications of reduction or discontinuance. These subcommittees will report back to the BPC, which will consider the recommendations and forward the BPC recommendations to the Vice President for Academic Affairs in his role as chairman of the Committee on Budget Administration. Professor Naylor noted that the names of the members of the subcommittees were published in the January 19, 1981 University Record, and invited Assembly members to communicate with those subcommittees if they so wish.

2. The chairman announced that a motion would be distributed at this meeting that issued from the Senate Assembly Rules Committee which concerns the way in which SACUA members and the Senate Assembly officers are elected. The motion will be made at the February meeting of the Assembly. He briefly reviewed the rationale of the motion.

NOMINA-  
TIONS  
AND  
APPOINT-  
MENTS

Chairman Naylor called attention to the nominations for various committees that were included in the meeting packet and asked if there were further nominations from the floor. There were none. The Assembly voted unanimously in favor of the submitted nominees:

Frank Kennedy - replacement on Rules Committee for Winter Term, 1980-81 for Robert Green, on sabbatical leave.

Diane Kirkpatrick and Andrew Nagy - replacements on Academic Affairs Committee for Winter Term, 1980-81 for Eva Mueller and Arthur Rich, on sabbatical leave.

Rhoads Murphey and Russell Fraser - three year terms on the Distinguished Faculty Awards Committee.

The chairman then conducted the voting for members of the Nominating Committee for SACUA. The results of the written ballot were:

Deming Brown  
Arch Naylor  
Glen Berg

Penelope Eckert  
Dorin Hinerman  
Richard Nisbett

REDIREC-  
TION  
OF THE  
UNIVERSITY

Chairman Naylor reviewed the steps that SACUA and the Senate Assembly has taken during the 1980-81 academic year regarding the issue of redirection. For today's meeting, SACUA has come to the Assembly with two motions on redirection. Professor Naylor suggested that Resolution A be discussed first by the Assembly, then Resolution B be considered. No formal limit on debate was established. The chairman indicated that following the discussion of each resolution, he hoped that there would be a motion to postpone action on it until the February, 1981 meeting of the Assembly. He said that if amendments were to be made it would be helpful if they were submitted writing so that they could be included in the packet for the February Assembly meeting.

Professor Naylor then introduced Professor Jesse Gordon, a member of SACUA, who introduced and moved Resolution A. (See Appendix I).

The motion was seconded.

Chairman Naylor then called for discussion of the motion.

Professor Berg opened the discussion by speaking to what he termed, "the problem of an aging faculty". He reviewed the current retirement program at the University and spoke of a number of incentives that act to defer retirement as late as possible. He felt that with a reduced budget, deferred retirement makes it more difficult to hire young faculty. He urged the University to seriously consider a way to provide incentives for early retirement or disincentives for late retirement. He suggested, as a possible option, changing the retirement furlough as a means to relieve the problems of an aging faculty.

Professor Root said that he was not aware of any problems of

an aging faculty.

Professor Nisbett said that he was familiar with data on this subject and that across most disciplines, major contributions are made before age 35, followed by a very sharp fall-off. His answer to Professor Root was that productive scholars are younger. Professor Root said that he still did not see an aging faculty as a problem. Professor Donald Brown pointed out that the problem here is the inability to hire young faculty members. Professor Deming Brown urged the Assembly to move on to the issues raised in Resolution A.

Professor Loren Barritt felt that the previous remarks illustrated that neither SACUA nor the Assembly have been very careful in considering the options for redirection in President Shapiro's address to the Assembly in June, 1980. He reminded the Assembly that the President said that we face a declining enrollment and a reduction in State appropriations and that we must do something. The President, according to Professor Barritt, said that his guess was that the best choice would be for the University to get smaller and pay the faculty more. He added that the President also mentioned the serious option of "shared poverty". Professor Barritt said that he has been very disappointed in that over the last six months, it seems that SACUA has ignored that option. Professor Barritt said that he was pleased that the Assembly was not going to vote on the motion at this meeting because he felt that it would have been irresponsible for the Assembly to pass it.

He concluded his comments by mentioning five issues that he felt should be addressed seriously before action is taken on Proposal A:

1. How will getting "smaller-but-better" save money and improve the quality of the University?
2. Full discussion of the "shared austerity" option.
3. More equitable pay among the faculty.
4. Examine other values that need to be considered in retrenchment.
5. How will minority recruitment be affected if the "smaller-but-better" option is adopted?

Professor Hinerman called to the Assembly's attention a proposal for a change in emphasis for higher education that he discussed in the Senate Assembly in 1972. He offered to have a copy included in the packet for the February meeting. Although he has had little support for his idea in the past, Professor Hinerman has submitted his proposal to Vice President Frye and has received a

tentative invitation to discuss it with him. He said that in many of the professional and scientific fields, the finance plans for the post-doctoral and continuing education are far more important than the pre-degree education. He noted that it has been reported that at least 75 percent of adults are active in some form of education and most is occurring outside of colleges and universities. Professor Hinerman asked, "why don't we answer this demand and get back into the business of education". His proposal, essentially, is to enter into a contract with entering students wherein an agreement is made to pay tuition over a period of years (20 to 30 years) as a percentage of income (i.e. one-half or one percent). In return, the University would agree to provide life-long educational opportunities. Professor Hinerman felt that this would provide the University with "inflation proof" income.

Professor Nagy returned to Professor Barritt's comment and asked him how "shared austerity" would maintain quality education at the University of Michigan? He agreed that the option should be discussed, but did not understand how it would work.

Professor Morton Brown felt that the Assembly should examine the premises in Proposal A. He said that many programs and activities will suffer to some extent in times of budget reduction regardless of what plans are followed. The first premise means that this situation is going to continue. He said that the important question is - should we continue with a particular attempt to resolve these difficulties? Professor Brown said that we are trying to deal with an existing situation and we have to at least decide on these premises. "There is going to be less money", he said, "and I don't think that we should spend time arguing that things are not bad and that they may not get worse".

Professor Baumgarten, referring to the issue of "shared austerity", spoke of the possibilities of "shared abundance" regarding the Athletic Department's autonomous budget. He said that he understood why it would be unwise to subsidize the athletic program out of the academic program, but wondered why it couldn't work the other way around. He suggested that the implications of changing the autonomous nature of the athletic budget be examined.

A smaller point raised by Professor Baumgarten was that some form of union of the Athletic Department's budget and the budget of the Recreation Department might alleviate the financial crisis in the recreational program - a program that affects a large number of people throughout the University.

Professor Donald Brown said that it wasn't necessary to spell out the horrendous consequences on the academic quality of the University and the academic quality of the athletes if the University becomes dependent upon the Athletic Department for a significant portion of the budget.

He then spoke to the issue of "shared austerity" saying that he felt that it would be a dangerous course to follow. He felt that the real issue here is that this is one of the few times that the University is taking its responsibilities seriously in examining what it is doing instead of just maintaining the status quo. Professor Brown felt that adopting the "shared austerity" option would simply enhance the status quo, and we would sink to a lower level of mediocrity.

Professor Hinerman assured the Assembly, as a member of the Finance Committee of the Board in Control of Intercollegiate Athletics, that there is no surplus of funds in the Athletic Department's budget.

Professor Kaplan (audience) said that he had worked through the AAUP to help defeat the Tisch tax reduction proposal last fall. He felt that our current situation is a challenge of a similar nature. He said that the AAUP is concerned and that some of his remarks are based on information from the state AAUP. He noted that there are several proposals under consideration to handle the current and anticipated financial shortfalls. One proposal is for the University to become smaller over several years. He mentioned that a less publicized proposal is that immediate cuts be made in several activities (i.e., WUOM and the Extension Service) in order to reduce costs in the immediate future.

Professor Kaplan expressed his opinion that it would be a tragedy if significant changes were made in the University's program without careful consideration of the need for and desirability of the changes and of their impact. He said that we are being told that we are in a financial emergency and must act fast to make cuts and terminate programs and staff in order to meet our financial obligations. His reaction to this assertion is that, "we must find a way to buy time". Professor Kaplan suggested two ways that the University could "buy time".

1. Personal financial sacrifice by faculty.

He said that many colleagues are willing to do this in order to gain this time and insure that only fully justified program changes are made.

2. Tapping the vast financial resources (i.e., "Endowment Funds") of the University.

He used the State Auditor's Report of December 10, 1980 to support his argument that there are, "...over \$84 million in unrestricted funds available as of June 30, 1979".

Professor Kaplan said that from the point of view of AAUP, the University does not appear to be in a state of financial exigency. This means that any termination of tenured faculty because of a claim of exigency should be challenged and the procedures of the Regents Bylaw 5.09 followed.

He concluded his remarks by reminding the Assembly that the University urged the citizens of the state to reject the Tisch proposal because of what it would do to higher education. He finds it ironic that only two months later, the University is considering reductions in activities such as WUOM and the Extension Service - activities that are among the most visible of University programs for the citizens of Michigan.

Mary Grattan (audience) expressed her concern with Resolution A in that the document fails to mention the University's continued commitment to maintain its responsibility to the State and community of taxpayers who partially support the University. She asked, "what if the University decides to phase out programs that the State and the community find very advantageous to, for example, health care delivery"?

Professor Pollock said that he was pleased to hear the last few statements because it appeared that people were accepting the principle, the converse of the idea of "shared deprivation". He supported the use of selective cuts with adequate faculty input. He felt strongly that the University should not lose its commitment to minority education and equal opportunity. Professor Pollock said that we should be debating which programs, if reduced, will affect our commitment to equal opportunity. These programs should be identified and great care taken to see that the principle of equal opportunity is preserved.

Professor Weisskopf (audience) stated that he would like to reinforce Professor Barritt's call for more careful consideration of alternative options for redirection. He was interested in alternatives because he had problems with some of the assumptions concerning the discussion on Proposal A. He felt that it was not self-evident that reducing the size of the University (both faculty and students) will release substantial resources to pay the remaining faculty better. He said that reduction of the size of the University may result in reduction of State revenues and tuition - that is the available revenues to this University are not independent of size. Professor Weisskopf also questioned the underlying premise of the proposal, that in order to maintain quality we must reward faculty with higher pay. He felt that faculty attachment to the University is based on a variety of factors, not just monetary reward. He mentioned intangibles such as departmental morale, intellectual atmosphere and sense of community that are important in building allegiance in the part of faculty at this University. He suggested

that it is possible that by focusing on financial incentives (i.e., highest salaries to those in strongest position), we may undermine the sense of community which he considered most important to maintain the quality of the University.

Professor Nisbett expressed his opinion that the arguments he has heard in favor of the "shared austerity" option are quite unrealistic. He felt that although the statements favoring that option contain attractive sentiments and much truth, he said that the hard facts are that a certain point higher financial rewards will override other factors and faculty will leave for places where they might not have gone to before. He added that another concern about the "shared austerity" option is that once people who are highly competitive on the national market begin to leave, a panic situation can occur - people selling themselves at firesale prices. This, he felt, is the clear argument against the "shared austerity" option. He pointed out that "shared austerity" means that there are cutbacks ultimately - cutbacks of the best faculty and programs.

Emerson Baty (audience) identified himself as the president of the LSA Student Government. He expressed his concern that the issue of affirmative action has not been discussed to the extent that it deserves. He said that being a minority student at this University he felt that it is very important that minority recruitment be affected as little as possible. He hoped that before the resolution is voted on, all possible effects of the resolution on minority recruitment be fully discussed.

Professor Hilbert reviewed his unit's (School of Public Health) experience with "shared austerity" and program discontinuance. He felt that the Assembly, in the discussion, is not willing to pay attention to that portion of the Resolution that reads, "...selective program reduction and discontinuance..." and that we have been discussing means that can be used to avoid that possibility. He said that we need to be convinced that there will be selective program reductions and discontinuance. Professor Hilbert said that it would be appropriate to adopt this resolution, but we should determine how we are going to make these selective cuts before Resolution A is passed. He felt that SACUA and the Assembly should develop a means by which the Senate can look at the process by which this will be accomplished.

Professor Friedman reminded the Assembly that this body spent a great deal of time discussing the discontinuance guidelines which have been approved by the Regents, which is evidence that we have done our homework. He said that the real issue now is the philosophical underpinnings of retrenchment. The intent of the guidelines was to insure that there will be adequate faculty input in the matter of discontinuance.

Matthew Rohn (audience) felt that there are inherent contradictions in the Resolution. He said that if we continue funding people with high salaries and accept the limitation (#3), a desire to maintain an affirmative action program, there is a contradiction. People affected by affirmative action are not the high salaried people, and they will suffer. He said that discontinuance is based, according to the guidelines, not upon financial needs, but upon other grounds, programs that affect minorities and program reduction will hit affirmative action areas the hardest. Mr. Rohn noted that the qualities we call "better" are tradition-bound qualities, and that we have yet to come up with a criteria for today's notion of quality and value (including affirmative action values) and means of actually implementing these values.

Professor Portman (audience) spoke to what he called the either/or aspect of the premises of the Resolution. He said that the premises seem to mean that either some programs will be reduced or discontinued, or, that everyone's salary will be reduced. He believed that this is an unnecessary argument. As to the Resolution itself, Professor Portman wondered if a smaller university means smaller number of students or just the number of staff. He hoped that this would be clarified. He interpreted the second premise of the Resolution as implying that if one receives a lower salary the quality of the work will also be lower. He felt that it is inappropriate to have this in print.

Professor Koran said that his main concern with Resolution A is that we are responding to a short-term problem in the State. He felt that we might be unhappy in ten to fifteen years that we adopted such a motion. He said that the State of Michigan will have to decide what it is willing to support in the area of higher education. If we make a commitment to become smaller at this time, we might be unhappy about this decision a few years from now.

Professor Ackley rose in support of Resolution A and addressed Premise #2. He felt that it is indisputable that there exists in academic departments a clear correlation between quality and salary. He said that this is no accident, because all of us, no matter how devoted to our institution, have an inevitable tendency to respond to the opportunity to go to the places that are both better and pay better salaries. He said that, "the association between quality and salary is a pronounced one, clear, unambiguous, unescapeable, no matter how much some of us would prefer that it not be the case".

Professor George Simmons (audience) rose to speak against the view of Professor Ackley. He agreed that there probably is a rough correlation between quality and salary level when one looks at the aggregate unit, but did not think that this is necessarily true when one examines individual salaries. He wondered whether one of the alternatives would be to examine salary levels within the University.

He wondered if there aren't, in every unit of this University, instances where some are paid much more than the cost of maintaining them at the University. He suggested that we examine alternatives to the present salary policy which seems to be based on the motion that the base salary should be continued and reward people according to a percentage increase. He also wanted to know if SACUA has examined the question of whether moving to another salary procedure would mean losing high salaried faculty members?

Professor Gordon responded to Professor Koran's comment that the present budget crisis may be a temporary phenomenon. He said that one of the purposes of formulating and distributing the working paper on redirection was to make it clear to us that the underfunding of the University by the State has been occurring for ten years and that we can expect it to continue for at least another decade. He feels that the people of the State of Michigan have been telling us for ten years how they are going to support higher education by these reduced appropriations.

Professor Romani moved that we postpone the discussion of Resolution A until the February, 1981 meeting of Senate Assembly. The motion was supported and passed unanimously.

Chairman Naylor introduced Professor Browne, a member of SACUA who read Proposal B into the record and moved the motion. (See Appendix II ).

After the invitation from the Chair for discussion of the motion, Professor Pollock questioned the logic of the resolution in that it seemed to him to be premised on the acceptance of Resolution A. He questioned the use of the word redirection in each of the three-part resolution. He said that if what we mean by redirection is essentially dealing with the current and perceived continual budget crisis, we have in essence the statement that President Shapiro gave to us last June - that there is a problem and the faculty will have to be involved in dealing with it. He felt that it is a good resolution to pass - after Resolution A is passed.

Professor Vinter also questioned the use of the word of redirection in Resolution B. If it means something other than that in Resolution A, he would like it explained. He asked why that in B1 of the Resolution, the governing faculties as bodies are excluded? Professor Naylor responded by saying that the term "plenary groups" in the statement is synonymous with governing faculties.

Professor Eckert said that she saw little value in repeatedly discussing things such as active participation of the faculty, but instead, spend our time talking about the important issues that have been under consideration in Proposal A.

Professor Barnard said that she had heard no evidence to support the premise that the University becoming smaller will save any money. She felt that there should be a discussion on the mission of the University, an issue that she believes is the basis for any kind of discussion on redirection.

Professor Morton Brown moved to postpone discussion of Resolution B until the February, 1981 meeting of the Assembly. The motion was seconded. The chairman asked if there was any discussion on the motion.

Professor Vinter asked for an answer to the question, "is redirection intended to mean solely program reduction and discontinuance as stated in Resolution A"?

Chairman Naylor responded by saying that Resolution B is supposed to go with Resolution A as part of a package.

Professor Friedman added that there are some issues raised in Resolution A that do not specifically deal with redirection such as tenure issues (Consequences #4) which would be related to redirection but not necessarily related to reduction.

Chairman Naylor then called for a voice vote on Professor Brown's motion to postpone. It passed unanimously.

Upon the advice of Parliamentarian Hildebrandt, Chairman Naylor suggested to the Assembly that if there was no objection, the Assembly would continue to discuss Resolution A with the understanding that the body will discuss it further at the next meeting. There were no objections.

Professor Eckert expressed her opinion that if the purpose of discontinuance and reduction is to save money, the basis for making decisions should be cost effectiveness rather than academic excellence. She wondered, therefore, how much a really honest academic appraisal will save us.

Professor Root returned to the "either/or" issue raised earlier by Professor Portman. He was uncomfortable with this presentation in the Resolution. He felt that there must be reductions but that we must not be in a hurry to make them. He suggested a mixture of options, that is, a little "shared austerity" to buy time to study other options.

Professor Bishop reminded the Assembly that there are two processes here - an emergency financial crisis (current budget cuts) and long term planning. He reiterated that Resolution A addresses the issue of long term planning.

Professor Gordon supported this point and pointed out that the Discontinuance Guidelines call for lengthy, careful procedures. He said that the real question is whether we will move in this direction at all.

Professor Kaplan (audience) felt that the question of the immediate emergency and the long term problem is still blurred, and that reductions and discontinuance are moving along much faster than we realize. He feared that if too much time is spent by the faculty in making plans we might find that the decisions have already been made. Professor Morton Brown agreed with Professor Kaplan's point that the two problems are being blurred. He was somewhat relieved by the fact that the Discontinuance Guidelines are in place, for they are designed to delay discontinuance until careful review and faculty input has been considered.

Professor Powers asked two questions:

1. What does a smaller University actually mean? Does it refer to those in the professorial ranks and staff, or does it also refer to student enrollment?
2. How can the information provided by Professor Kaplan be used in the deliberations on reduction and discontinuance?

Professor Powers then suggested a rewording of Resolution A:

"That Senate Assembly endorses a policy for the University of Michigan of becoming a smaller University through selective program reduction and discontinuance in order to attempt to maintain academic quality".

Professor Deming Brown responded to questions by Professors Powers and Portman as to whether or not "smaller" means smaller faculty or smaller student body. It was his view that Resolution A implies both.

Professor Hildebrandt said that he had tallied seven options during the discussion, and came up with two conclusions.

1. We should proceed rather slowly.
2. The faculty should be involved in all of the options suggested.

His final observation was that the seven options are really ways to relate to Resolution A - they are procedural, things that add footnotes to the ideas expressed in Resolution A. He said that if he was to vote on the resolution today, he would vote in favor, but

with some long footnotes that included the seven major points made at today's meeting.

Professor Railton (audience) spoke to the statement that academic quality will be reduced if there is a uniform reduction across-the-board. He felt that academic quality would be reduced if there was selective reductions and discontinuances as well. He said that the issue is not whether we favor quality or not, but to what extent a uniform approach to reduction (a short term approach to gain time) versus some precipitous program reduction or elimination will affect quality. He returned to the issue of morale, saying that this is an important factor in maintaining and attracting good faculty. In his opinion, one way to guarantee a decline in University morale is to proceed the way we have this year where some people are uncertain of their jobs. He suggested that one way to do something about this serious problem (i.e., morale) would be to reaffirm the commitment of the faculty to governing this University and itself through democratic procedures for deciding about the future of the University. He spoke in favor of doing this in the short run by buying time through taxation, that is, some uniform reduction.

He urged the faculty to debate the issue of the meaning of quality or centrality.

Professor Eggertsen commented that it seemed to him that we dismiss too quickly the idea that the people of Michigan won't continue to support us. He reviewed how the University has been well supported in the past during times of financial difficulties, including the years of the Depression. He wondered how the people of Michigan will react when they learn that the University will become better when it becomes smaller, particularly in light of the University's arguments against the Tisch tax reduction proposal. He then spoke in favor of using the resources of the Endowment Funds as suggested by Professor Kaplan earlier.

Professor Gordon responded to Professor Powers' question concerning the meaning of the term "smaller university". He said that this is a question that the individual units should deal with. "With a given budget", he said, "each unit has to decide how it can live within the budget, and to live well enough so that it can do what it does as well as it possibly can". He said that the decision by a particular unit may be to reduce the number of students in order to accomplish this.

Professor Koran said that if he had some indication that the State Legislature would react favorably to this Resolution five years from now, he would be comfortable with it. If they would not react favorably, then the term smaller might mean worse.

Professor Burdi expressed his concern about an issue that had

not been discussed. He said that as a State-supported institution, we might provide a service to the State if all of the State-supported schools orchestrated their changes in order to reduce program duplication.

Professor Barritt said that after hearing the discussion on the Resolution A, he would not vote for it. He felt that it is a motion that is not needed because the President and the central administration are already moving in the direction of the "smaller but better" option. He believes that they are doing it because it is an obvious easy answer to our financial problems. It seemed to him that the other kinds of solutions involve a complicated set of factors. He said that if we believe that this University, with its diversity, is a fine University because it is diverse, we should be certain that our resolutions reflect this and lead to something positive. Professor Barritt urged that more open discussions (in Senate Assembly and other forums) of alternatives to the "smaller but better" option for redirection be conducted. He asked that people from the State Legislature and other universities be invited to express their views on the issues before we vote on the resolutions.

Professor Naylor reminded the Assembly that Dr. Gerald Miller, Director of the Department of Management and Budget, will speak to the Assembly at the March, 1981 meeting.

OLD AND  
NEW  
BUSINESS

There was neither old nor new business.

ADJOURNMENT

The meeting was adjourned at 5:07 p.m.

Charles C. Kelsey  
Senate Secretary