Public Universities at a Time of Austerity and Crisis: Some Lessons from Greece

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Good Evening. Thank you, Chancellor, for your kind introduction and for the invitation to be here today and to share with you some of my thoughts on public higher education. It's very exciting to be here at a great public university like UC Davis, and I would like to say that I'm not just excited, I'm also proud. I'm proud because I will be speaking at a University where the Chancellor is a Greek woman who studied at a Greek university and has become the only Greek woman, as far as I know, to ever have led a top university in the world. We don't have many instances today to have such an opportunity to be proud of. The success of Linda Katehi is one of many success stories of a system that helped many bright young people to make the best of their potential even though their families did not possess the financial means to fully support their education.

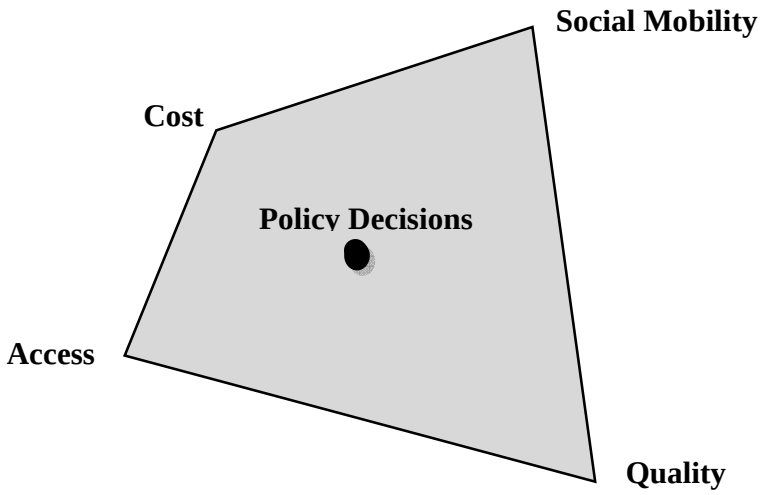
It all happened because of a major political initiative taken in 1964. The decision then was that higher education -in fact, all levels of education- would be free for all those that had the ability to pursue it independently of their financial condition. This is what we call in Greece *dōrean paideía*, and the translation is "free education." But just let me say that *dōrean* comes from the word *dōro* which is "gift," something more than just free.

In the decades since then, Greece has had its ups and downs. Many things have changed. Priorities have changed. Greece is now in its worst position in recent history, but one thing is still unchallenged and this is the notion of *dōrean paideía*, free higher education that is now rooted in the psyche of Greece, equally perhaps as democracy itself. One of the first acts of the dictatorship in 1967 was to completely overturn the education reform of 1964 with one exception, and this was *dōrean paideía*. *Dōrean paideía*, free education, is now embedded in the Greek Constitution. However, higher education today in Greece, despite the successes of individual bright young people is at a historical low as many other sectors are.

But I'm not here to talk specifically about Greece's higher education problems. What I want to try to do is to view these problems in a general setup that might allow some lessons to be drawn for those who care about public universities. My comments will reflect my experiences in all three capacities that influence policy in higher education: as a professor for more than 30 years, as a department chair/faculty dean/vice-rector, and as a minister responsible for higher education and research.

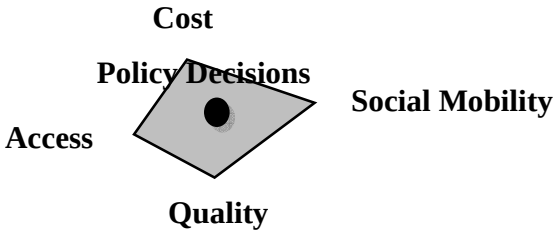
Higher education is a complex social structure. The key players in this social structure are **the students, the faculty, the university leaders, and the policy makers**. The public is indirectly involved mainly through the students. The main issues preoccupying these key players are **access, quality, cost, and the need for social mobility**. What complicates things is that any policy decision regarding any of these issues has an impact on the other three that is difficult to control or predict. To make things harder, the different players place a different emphasis on each of them.

Allow me to show you a simple diagram to illustrate the relation of those issues and policy decisions associated with them. We have four aims: cost, access, quality, and social mobility.

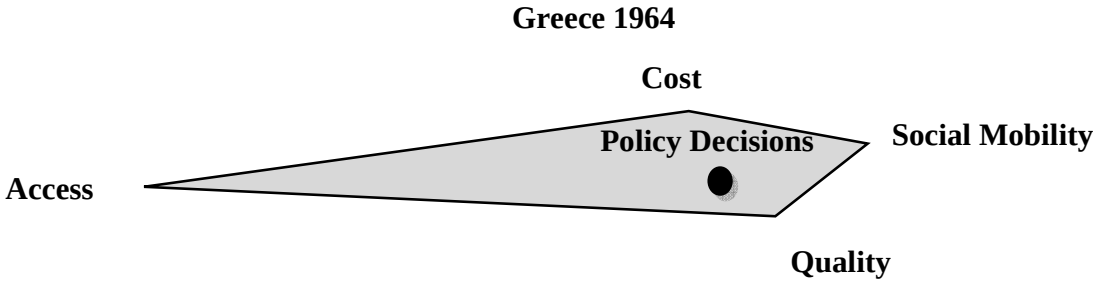


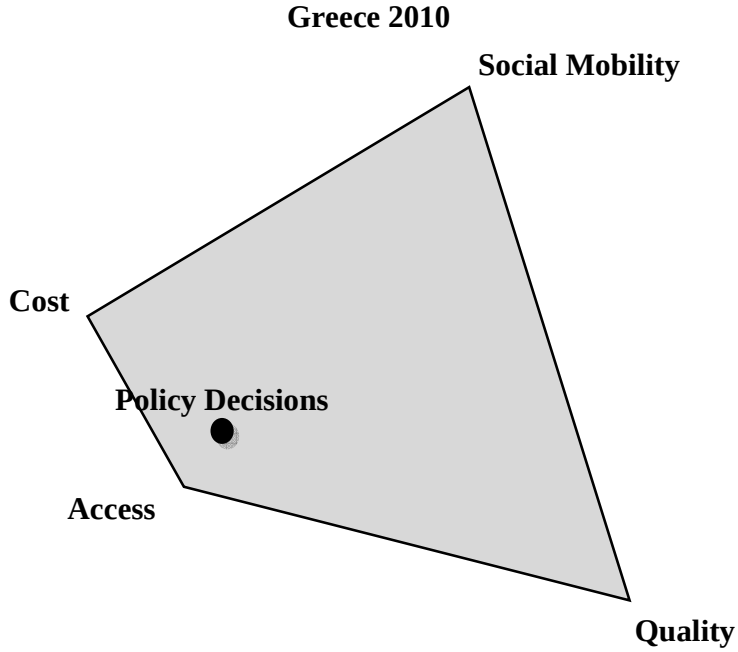
The shape of the "feasible region" can take different forms depending on the social conditions in different countries and at different times. The closer one edge is to another, the easier it is to satisfy both corresponding ideals simultaneously. The farther away an edge is from another, the harder it becomes to optimize both and the more extreme and painful the tradeoff becomes. This shape and this situation can take dramatic changes at the period of economic crises.

Of course, in an ideal world, all edges will tend to concentrate at one point.



In Greece in the 1960s when the policy decision was made to offer free education for all, access was low. We had only two universities. This made it possible to maintain quality. As years passed, especially after 1996, Greece followed the international trend to mass higher education that has since become universal higher education. This was politically attractive, but had a negative effect on quality. Quality dropped. Even worse, social mobility declined. Greece has now the second highest unemployment rate of graduates in the European Union.





Social mobility is a strategic target. Free higher education and access are tools to achieve social mobility, so the **strategic** target of the policy of free higher education was compromised while the **tools** for achieving it remained in place.

To justify a free higher education and to maintain access, all educational policies were formulated with one aim: to serve equity and not equal opportunity. This has led to total uniformity to the detriment of excellence. Uniformity has gone to extremes even at the expense of talent.

To give you just an example: in the name of uniformity, a bright student that had completed his four-year degree in three years could not graduate by law until four years elapsed. Clearly, the policy has failed, and it is not easy to change the situation because of the tradeoffs and especially because of the financial crisis. Now the creditors of Greece are asking for politically painful

decisions. They want the closing down of departments and of universities. Remember, I said when *dōrean paideía* (free education) was introduced in 1964 we had two universities. Now we have 40 higher education institutions, so you understand what the problem is when the taxpayer has to cover all the expenses for all these institutions. As if that were not enough, the public is very negative today towards universities and their leadership, believing that they are not serving their mission and that they live in their own ivory tower. There are many accusations of lack of accountability and transparency in universities, and when you lose public support, you're inevitably in danger of also losing the support of the policy makers.

Before I make some remarks from the lessons from Greece, let me just point out some similarities and differences that I see between Greece and California. Both in Greece and California we cherish public higher education. We also promote social mobility, and, of course, Greece and California are going through a serious financial crisis, but probably this is as much as Greece and California are similar as far as higher education is concerned.

The differences are striking, and I think these differences make California and the public universities in California much more viable and less susceptible to difficult situations like those we are facing in Greece.

In Greece, as in many European countries, we have a centrally controlled system –while at the UC system decisions are taken at the university level with accountability, which is important. In Greece, as in most European countries, we are controlling input, while here you are evaluating output. Salaries in Greece of all personnel are paid by the state. Also, student numbers are decided by the state, and, importantly, the emphasis in Greece is on equity and access, while here in California it's on equal opportunity and excellence. Things become worse for Universities in both countries when in policy decisions other issues take priority.

For example, here in California and in Greece, health care has taken priority, and when you have such a development then the funding for public higher education decreases.

Having said all that let me talk about some of the lessons that can be drawn from the experiences in Greece.

-We should not compromise on excellence even though there will be pressures to narrow down the number of universities pursuing excellence. It is the quality of education which counts, not just the numbers.

-Always stress the difference between equality and equal opportunity. Don't succumb to uniformity in the name of equality.

-Do whatever you can to have the public on your side. It is hard, but it's necessary. If you manage it, you improve your chances to have the policy makers on your side. To do this, choose carefully your friends and decide who are those that you don't mind to displease.

-Promote accountability and transparency to convince the public that their taxes are well spent.

-Emphasize that the social benefits from higher education and social mobility because of higher education are two different ideas. All universities, public and private, contribute to social benefits. For social mobility, it is the public universities that the state can count on.

-Motivate and assist public universities to increase access for enhancing social mobility and not for collecting more tuition fees.

-Remember that access has an immediate impact for policy makers. Pursue it innovatively. Perhaps work closely with community colleges.

-As academics, don't only pursue scientific excellence and good teaching. Understand the more general societal settings and constraints, and explain why what you're doing is important.

-Universities are the places with the highest concentration of experts (professors). However, do not hesitate to admit mistakes. The public appreciates it.

-Better to diversify at a high standard than uniformize at a low standard.

-And **last but not least**: always remember that your students are your assets, but also they are uneasy and impatient partners.

-Finally, a more general lesson: a financial crisis is usually followed by a social crisis. Social mobility is important because it improves social cohesion.

In my remarks, I have not dealt with crucial issues such as the influence of distance learning, the importance or not of location, the use of technology, completion rates, etc. I feel that these are important, but only side issues as compared to the main ones that I mentioned.

Thank you for listening.

Provost Ralph Hexter: Let me begin by asking you to speculate. You've talked about how you can balance goods of access, cost, quality, social mobility. I think that it's interesting that when we're speaking, we tend not to list social mobility explicitly as a good, but I think that it's a mistake not to do that. My question is, can you give us some advice here for California about how we could optimize that, as you understand our situation? How do you think that we could make sure that we're hitting on all four cylinders?

John Panaretos: Well, I wish I could. I think that this is a question that doesn't have an easy answer. Studying the situation in different countries that tried to improve social mobility, I can say that the approach they followed was not successful.

For example, in Ireland they abolished tuition fees in 1994 or '95, and then they re-introduced tuition fees a few years ago. Now, they have found out in analyzing their data that the abolition of tuition fees did not help in advancing social mobility.

There is a similar experience in Sweden; there is a study by a professor here at Davis. [Gregory Clark, professor of economics]. Although Sweden is a country with social mobility as a main ideal, he has shown that the goal has not been achieved.

The best approach I can think of is to put emphasis on supporting Community Colleges and allowing access and fluidity to the top public Universities.

Hexter: You spoke also about your role as minister of research along with higher education. Of course for a leading research university like UC Davis, research is completely part of our mission, our goal, and some of the public sometimes imagines that there is a tension between our role as a teaching institution and the research that we do; the role of professors as teachers and professors as researchers. I wonder from the Greek perspective or from your experiences in European and other universities how you would address those concerns that some members of the public have.

Panaretos: The evidence presented and discussed in all the meetings of ministers of education and the ministers of research of the European Union indicate that good research universities cannot be great research Universities unless they are also good in teaching, and good teaching universities cannot be great teaching Universities unless they are good in research. So research and teaching, contrary to what some people believe, go hand-in-hand. This fact must be stressed by all those holding public offices.

Hexter: You mentioned online education as one of the things that you didn't talk about. I would very much like to hear your comments on that and how that is beginning, if it is, to emerge on the European and particularly Greek horizon.

Panaretos: We have traditional open universities in most European countries, but I think that things are changing with the US-based MOOCs. There is an increasing number of people all over the world who attend these courses. Europe (or some places within Europe), have realized the potential of this approach. But things are moving very slowly. The situation in Greece is even worse. This is very unfortunate.

It is not yet clear how successful MOOCs will be as an educational model, or what the best way to harness the capabilities they offer is. This will become clear as we experiment with them. My prior is that they may be a game changer. What I do believe is clear at this stage is that they have allowed the top universities to tap into pools of bright minds that would otherwise be almost impossible to reach, and potentially at a massive scale. This could be the consolidation of US, if American institutions are able to recruit the best and the brightest from all corners -perhaps hidden corners- of the earth. And it could result in a significant brain drain and challenge for countries whose institutions cannot compete - though it's unclear how many of these individuals they would have discovered otherwise. So, going back to your previous question, this could be a tool for social mobility too, perhaps at a much broader geographical scale.

Hexter: You've talked in that response about the way Europe is looking to the United States and particularly to U.S. higher education as a model in some ways. I'm wondering what are some of the aspects of American higher education that are so attractive to European educators, and maybe, if it's not too technical, you might refer to the Bologna Process in Europe. The audience might want to hear a little explanation about that.

Panaretos: I will start with the Bologna Process. The Bologna Process is an important policy decision of the EU to make the different systems of HE of the European countries compatible and to encourage mobility among them for all those concerned, especially the student. Most importantly it creates a Europe-wide higher education area where degrees and qualifications obtained in one country will be recognized in all other countries. That

has taken about ten years to be completed. I believe that this is one of the most important political initiatives to promote European convergence. Some countries were enthusiastic about it, some others not so much. Students reacted in some countries like Germany, Greece, and Spain but the initiative moved forward. This is an area that the US can benefit from studying.

Now as far as Europe -and I think Asia, too- looking to the United States for examples and good practices. If you look at university rankings, 17 out of the 20 top universities and 53 out of the top 100 are from the U.S. I firmly believe that the main reason for this is that in the US a lot of emphasis is placed on innovation. Innovation is everywhere, and the whole educational system is constantly evolving because of innovation. In higher education we see this attitude both at the undergraduate and graduate levels. Unfortunately, you cannot copy innovation. Interdisciplinary research is also important, the narrowing down of bureaucracy in patenting as well as in funding research etc. My feeling is that we see the value of these practices but are slow in adopting them.

Hexter: I wish it were the case that we never had unproductive meetings. When you're talking about research and patents, a lot of our work at universities involves working with industry and with private business, and also there's the matter which I think is much more broadly established even for public universities now in the U.S.: private philanthropy. And this brings me to a word that we've heard a lot of: "privatization." I know from some of my travels that it's not only a word being discussed in the U.S. You've been talking about the strong public university tradition in Greece. My understanding is that it's actually illegal to have a private university, and of course it's in the constitution that you have free education. I'm wondering what comments you have on what you see as the privatization or this mixed mode of university that we have here in the U.S.

Panaretos: First of all I don't like anything to be forbidden. To constitutionally forbid non-public Universities seems as if one thinks that there is something evil about them. Moreover, non-public Universities work well in other countries so we have to see what the advantages are and see how we can benefit from allowing them. Public universities and public higher education are very important. The state should support higher education. To create a state monopoly, though, is wrong. Secondly, I think that in Greece the word "privatization" has taken a very negative connotation, at times perhaps rightly so, and is used negatively by those that don't want any change to happen. And this is wrong.

Philanthropy is a Greek word, in continual use for thousands of years. Some of the most important things in Greek education were made possible because of philanthropy, and we are proud of those. So, we should encourage it. As long of course as philanthropy is not used as a means for tax evasion.

So I would say, we shouldn't be afraid of words. We should try to do what's best for the University and for the young people.

Hexter: I'm thinking the Athenians have been resisting the rich Philip of Macedon for a very long time. One last question that I want to ask before turning this open to everyone. As the Chancellor mentioned, I'm a professor of classics and comparative literature, so I'm

curious as to the role of a whole range of disciplines, particularly social sciences and humanities and arts, in the Greek universities. I also know that this is something that is being looked at in other countries. We have here a long tradition of wanting our undergraduate students to have exposure to a broad range of topics including all of the humanities, the liberal arts. I'm wondering what the perspective is on those topics and the liberal arts in the Greek universities.

Panaretos: I think the approach that you have is a very good one. We need today scientists that have a broad view, not just concentrating on the single subject matter they want to study. Unfortunately, in Greece (and probably in some other European countries) our programs are very specialized, so a student who graduates may be very good, say, in mathematics or biology or history, but she or he might not have the broader view you mentioned that you find in the U.S.

To give you one example, my son wanted to study mathematics and philosophy combined. In Greece, he couldn't do it. Can you imagine that? In Greece, out of all places, not being able to study mathematics and philosophy at the same time?

Hexter: Plato would have failed!

One of the things the Chancellor is very, very interested in and emphasizes here is the importance of international experience. Is study abroad something that Greek students are involved in? Do they seek that? I might also add, how international are Greek universities?

Panaretos: Greek students more and more realize that getting an international experience is useful and they seek it, either through the Erasmus program, or by going abroad for their graduate studies.

How international are Greek Universities? I would rephrase the question: Do they have the incentive to be international? "Incentive" is a word that is missing in our approach. I wish that Greek universities were more international, not just for bringing more students from different countries but also to be exposed and learn from the best practices in other countries. I think it's very important for you here in Davis too to promote internationalization and I'm sure you will see the benefits of your policies very soon.

Hexter: If you could imagine some opportunities for Greek universities and UC Davis to collaborate and possibly create programs together, what would that be?

Panaretos: I would be very happy to see successful Universities like UC Davis collaborate with institutions in Greece. I am sure that individual faculty members are already cooperating in fields of mutual interest. Agriculture is a field that easily comes to mind. The Greek and the Californian landscape and climate have a lot in common and we can learn a lot from each other. Perhaps we have more to learn from you but we might also be able to give some tips on olive oil!

Before we leave, I would like to make one last comment. I talked about California and Greece. There are two historical instances connecting Greece and California with reference to higher education. In the '60s, there was a professor at the UC Berkeley's

Department of Economics, Andreas Papandreou. He tried to set up a new University in Patras based on the California model. He did not succeed in overcoming the resistance to change. As he wrote to a colleague in Berkeley, “I tried to do things that are trivial in the US and all hell broke loose”.

Almost fifty years later, in 2010, an international committee was formed with well-known leaders in higher education from the US, Europe, Asia and Australia to advice the Greek government on a much needed higher education reform. This group was led by Chancellor Katehi. Most of the recommendations are again similar to traditional California values. It remains to be seen whether this time we are luckier.

Thank you.

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