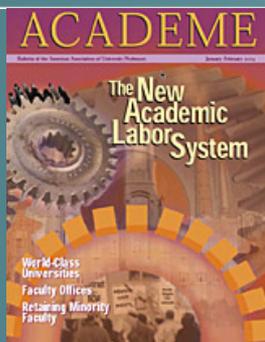


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## The Costs and Benefits of World-Class Universities

*The race is on to claim higher status and prestige. What gets left behind in the competition for world-class status?*

By Philip G. Altbach

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Everyone wants a world-class university. No country feels it can do without one. The problem is that no one knows what a world-class university is, and no one has figured out how to get one. Everyone, however, refers to the concept. A Google search, for example, produces thousands of references, and many institutions—from modest academic universities in central Canada to a new college in the Persian Gulf—all themselves "world class." We are in an age of academic hype in which universities of different kinds in diverse countries claim this exalted status—often with little justification.<sup>1</sup>

Many of those seeking to identify "world classness" do not know what they are talking about. For example, Asiaweek, a respected Hong Kong-based magazine, produced a ranking of Asian universities for several years until its efforts were so widely criticized that it stopped. This article tries the impossible—to define a world-class university, and then to argue that it is just as important to have "national-" or "regional-class" academic institutions as it is to emulate the wealthiest and, in many ways, most elitist universities.

John D. Rockefeller once asked Charles W. Eliot, president of Harvard University for almost forty years in the late nineteenth century, what it would take to create the equivalent of a world-class university. Eliot responded that it would require \$50 million and two hundred years. He was wrong. At the beginning of the twentieth century, the University of Chicago became a world-class institution in two decades for slightly more than \$50 million—donated by Rockefeller himself. The price tag for such an endeavor has ballooned since then, not only because of inflation but also because of the increased complexity and cost of academic institutions today. The competition has also become much fiercer. Now, it might take more than \$500 million along with clever leadership and much good luck.

There are not many world-class universities. Higher education is stratified and differentiated. This article focuses only on the tiny pinnacle of institutions seeking to be at the top of national and international systems of higher education. In the United States, the Association of American Universities (AAU), widely seen to be the club of the elite, has sixty member universities (many of which are not world class). Since the establishment of the AAU in the early twentieth century, its membership—out of a total of more than 3,500 academic institutions—has grown only modestly.

Even in the United States, few universities have managed to claw their way to the top. In other countries, the number of top-tier institutions is also limited, even

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when, as in Germany, the government treats all universities the same in terms of budgets and mission. The most elite universities are located in a handful of countries—in the mid-1980s, the *Asian Wall Street Journal* listed among the top ten only four not in the United States: Cambridge and Oxford Universities, the University of Paris-Sorbonne, and the University of Tokyo.

It is, of course, the judgment of others that carries a university into the rarified ranks of world-class institutions, and no one has figured out how to conduct an appropriate international evaluation. I do not provide such guidelines here, but this discussion may be a first step toward developing relevant criteria.

The dictionary defines world class as "ranking among the foremost in the world; of an international standard of excellence." Fair enough, but in higher education, who decides? The following characteristics have by no means been agreed upon by teams of experts—they are meant simply as benchmarks to provide the basis for debate and analysis.

Excellence in research underpins the idea of world class—research that is recognized by peers and that pushes back the frontiers of knowledge. Such research can be measured and communicated. But if research is the central element, other aspects of a university are required to make outstanding research possible. Top-quality professors are, of course, central. And to attract and retain the best academic staff, favorable working conditions must be available. These include arrangements for job security—many countries call it tenure—and appropriate salaries and benefits, although academics do not necessarily expect top salaries. The best professors see their work as a "calling"—something to which they are committed by intellectual interest—not just a job.

Academic freedom and an atmosphere of intellectual excitement are also central to a world-class university. Professors and students must be free to pursue knowledge wherever it leads and to publish their work freely without fear of sanction by academic or external authorities. Some countries permit unfettered academic freedom in the nonpolitical hard sciences but place restrictions on it in the more sensitive social sciences and humanities. In most countries, academic freedom extends to expression of opinions by members of the academic community on social and political issues as well as within the narrow confines of professional expertise.

The governance of the institution is also important. World-class universities have a significant measure of internal self-governance and an entrenched tradition, often buttressed by statutes, ensuring that the academic community (usually including professors, but sometimes also students) has control over the central elements of academic life—the admission of students, the curriculum, the criteria for the award of degrees, the selection of new members of the professoriate, and the basic direction of the academic work of the institution.

Adequate facilities for academic work are essential—the most advanced and creative research and the most innovative teaching rely on access to appropriate libraries and laboratories, as well as to the Internet and other electronic resources. The increasing complexity and expansion of science and scholarship make the cost of providing full access high. Although the Internet has given rise to some cost savings and has eased access to many kinds of knowledge, it is by no means a panacea. The facilities needed go beyond labs and libraries—staff and professors must have adequate offices as well.

In addition, adequate funding must be available to support the university's research and teaching as well as its other functions, and the support must be consistent and long term. The cost of maintaining a research university continues to grow because of the increasing complexity and expense of scientific research. Universities cannot benefit from many of the productivity increases other enterprises have achieved through automation—teaching and learning still generally require professors and students to be in direct contact.

Funding is a special challenge now, because governments in many countries are disinvesting in higher education. Academic institutions are everywhere asked to pay for an increasing part of their budgets through tuition and student fees, funds raised by consulting and selling research-based products, and other revenue-generating activities. The fact is, however, that public support is necessary for research universities everywhere. Only in the United States, and to a lesser extent in Japan, do private research universities of the highest rank exist. And in the United States, such universities benefit from government subsidies in the form of research grants and loans and grants to students. The top private institutions have significant endowments as well.

The American tax system, which provides for tax-free donations to nonprofit institutions such as universities, is a major factor in permitting the growth of world-class private universities. Research universities have the ability to raise significant funds through various means, but no substitute exists for consistent and substantial public financial support. Without it, developing and sustaining world-class universities is impossible.

## Caveats

A realistic and objective perspective is needed when thinking about world-class institutions of higher learning. For most countries, even large and wealthy ones, only one or two world-class universities are possible or even desirable. Many nations simply cannot afford to support such institutions.

And even the best universities are not the best in everything. Harvard does not rank at the top in engineering, for example. Many countries and institutions might do better to focus on building world-class departments, institutes, or schools—especially in fields that are relevant to the national or regional economy or society. For example, Malaysia has focused on disciplines such as informatics and rubber technology that are important to the local economy.

A few highly ranked institutions specialize to a certain degree. For example, the California Institute of Technology is a small university focusing almost exclusively on the sciences, yet it ranks fourth in the United States according to *U.S. News and World Report*. The Indian Institutes of Technology, which specialize in limited fields, are highly regarded in India and internationally. At the same time, these institutions provide educational opportunities in a wide range of disciplines, permitting students to choose among various areas and ensuring the possibility of interdisciplinary work.

There are many rankings of academic institutions, most of which emphasize characteristics related to research-university status. Few of these rankings, however, have been conducted by official organizations or reputable research groups. Newspapers or magazines have done most of them, and only a handful are taken seriously. Thus, we have neither national rankings that make sense nor a widely accepted definition of a world-class university that permits people to recognize one or, for that matter, aspire to be one. It is not enough to quote what

U.S. Supreme Court Justice Potter Stewart said about pornography: "I know it when I see it."

Putting too much stress on attaining world-class status may harm an individual university or an academic system. It may divert energy and resources from more important—and perhaps more realistic—goals. It may focus too much on building a research-oriented and elite university at the expense of expanding access or serving national needs. It may set up unrealistic expectations that harm faculty morale and performance.

The concept of a world-class university reflects the norms and values of the world's dominant research-oriented academic institutions—especially those of the United States and the major western European countries. The idea is based on the German research university that came to dominate academic thinking at the end of nineteenth century, especially after the United States, Japan, and other countries accepted the model.

Although all of the world's universities essentially follow the Western tradition, the ideal of the world-class research university is a special variation of that tradition. The American sociologist David Riesman observed in the 1950s that U.S. universities were failing to achieve diverse academic goals because almost all were trying to become like Harvard, Berkeley, and a few other key research-oriented institutions. The same criticism can be made now, as universities around the world seem to be orienting themselves to this single academic ideal. Institutions and nations need to assess carefully their needs, resources, and long-term interests before launching into a campaign to build world-class institutions.

Universities operate in both national and global contexts. The world-class idea falls into the global sphere. It assumes that the university is competing with the best academic institutions in the world and is aspiring to the pinnacle of excellence and recognition. National and even regional realities may differ. They relate to the need of the immediate society and economy and imply responsiveness to local communities. In these contexts, the nature of academic performance and roles may differ from what is expected at institutions competing in the global realm. To label one sphere world class while relegating the others to the nether regions of the academic hierarchy is perhaps inevitable, but nonetheless unfortunate.

## Perspectives

The debate about world-class higher education is important. Government and academic planners are considering the topic in countries such as China, where several top universities are self-consciously trying to transform themselves into world-class institutions. Other countries, such as South Korea, are giving serious attention to the idea. Britain, traditionally the home of a number of top institutions, worries that it is losing its competitive edge.

The world-class debate has one important benefit—it focuses attention on academic standards and improvement, the role of universities in society, and the way academic institutions fit into national and international systems of higher education. Striving for excellence is not a bad thing, and competition may spark improvement. Yet a sense of realism and sensitivity to the public good must also factor into the equation. The fuzziness of the concept of a world-class university—combined with the impossibility, so far at least, of measuring academic quality and accomplishment—makes the struggle difficult. Indeed, it might well be that the innovative energies and resources of higher education should be focused on more realistic and useful goals.

## Note

This article has benefited from the ideas and writings of Wang Yingjie of Beijing Normal University, Pang Eng Fong and Linda Lim of Singapore Management University, and Henry Rosovsky of Harvard University. I am also indebted to the ideas of Edward Shils, Max Weber, and John Henry Newman concerning the nature of the university. [Back to text.](#)

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