

# Corporate ethic is now undermining universities too

Adoption of money-centred business practices leaves academia open to same abuses.

*Sir*—Although I applaud the overall message of your Opinion article “After the gold-rush” (*Nature* 418, 111; 2002), I do not share your optimism that the scandals emerging in US businesses and the resultant distortion of scientific priorities have “not done much damage to the integrity of universities or scientific institutions”.

Many US universities have begun switching their administrative processes to follow a more corporate model, run on a ‘star’ system similar to that of companies such as Enron. In this system individuals are promoted, not because of experience or expertise, but on perception of their so-called intelligence and charisma. Large salaries can thus be given to mid-level administrators and a few faculty members sympathetic to ‘reforms’ and ‘streamlining’ (see [www.workplace-gsc.com](http://www.workplace-gsc.com) for a discussion of this issue).

One example of this practice is the use

of new personnel policies based on business principles and maximizing revenue. Such policies (including attempts to end tenure) can effectively create deregulation within an institution. The resultant breakdown of due process leaves only the courts to resolve internal matters, a phenomenon which is also being seen in corporate scandals.

Another issue is that of shaky accounting, in which department chairs inflate the amount of grant money brought in by their faculty. They may list grants received by a group of faculty as if each member had received that amount, for example, or bring in badly paid temporary lecturers to replace tenured faculty members who have left.

Attempts to raise revenue have caused some university administrators to appoint to senior positions former executives from corporations embroiled in accusations and

scandals. Some university presidents serve on the boards of directors of companies that may have competing financial interests or may be subject to investigation of their business practices. Under circumstances such as these, the association between university administrators and businesses is too close for comfort.

Practices and philosophies that have emerged from the economic boom and subsequent bust are only now beginning to harm the integrity of scientific institutions. Academic scandals are less well known because they do not (yet) involve the large amounts of money reported in corporate scandals. But the basic elements of serious scandals are likely to be as common in US universities as they are in US business.

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## Indian biotech sets a constitutional challenge

*Sir*—Immediately after publication of your News story “Transgenic cotton gets mothballed after protests” (*Nature* 418, 716; 2002), the agriculture minister of Karnataka retracted the state’s ban on *Bt* cotton seeds on the grounds that only the central government can make such a decision (*The Hindu*, 16 August 2002). The state can advise central government on whether to impose a ban, if evidence can be shown of adverse impact on animal (including human) and plant health.

In this case, the state minister banned *Bt* seeds in the light of concerns about their environmental impact after he had been briefed by protesters citing a Greenpeace report about *Bt* cotton in China. However, the minister had not at that time been informed about criticisms of this report by two Chinese scientists, who called it “garbled and biased” (see the Biosafety Information Network and Advisory Service, <http://binas.unido.org/binas>), hence his swift retraction of the ban.

This controversy represents a constitutional challenge, as the Indian constitution makes the environment the responsibility of central government and agriculture that of individual states. The state of Karnataka can regulate and restrict any executive and legislative process initiated by central government in the domain of agriculture. However, the introduction, development and commercialization of genetically

modified plants are governed by centrally enacted environment laws in India.

This type of confusion can only hamper the advance of biotechnology and the development of agriculture, and needs to be resolved by bringing agriculture under the constitution’s Concurrent list. This would eliminate the possibility of disputes because, in cases of disagreement about items on that list, central government legislation prevails over that of the states.

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## All shipshape at navy lab

*Sir*—As a 37-year employee of the US Department of the Navy, I have had a 360° view of the Naval Research Laboratory (NRL) mentioned in your News story “Senators attack Pentagon over weak state of defence research” (*Nature* 418, 711; 2002). It is my personal view that she is still a vigorous centre of excellence in science and technology related to US naval services. The shrinking of the workforce noted by Vice Admiral Paul Gaffney results from declining funds allocated for in-house research, and the expectation that the commercial products of the ‘new economy’ will replace the specialized basic knowledge and engineering skill necessary to buttress US naval superiority.

The perception that the private sector

can provide superior innovation and be a more generous source of compensation for the stellar contributor or daring innovator rose with the US stock market and may be collapsing along with the Internet bubble. Revelations of accounting that is more creative than accurate, the ‘Dilbertization’ of engineering and programming with meaningless and unrewarding jobs, recent terrorist attacks on the United States and economic uncertainty are all making public service seem attractive again.

NRL’s ‘demonstration programme’ for personnel already allows competitive offers to be made to all but the top few per cent of researchers. The lab’s excellent facilities, access to actual data, continuing education opportunities, creative environment and sense of mission all help maintain the continuity of the world-class research programmes over the decades that it sometimes takes to move first-principles research to deployed capability. Restoring NRL’s workforce to previous levels will be necessary to meet the needs of knowledge-centred warfare. This will require greater support and wider appreciation of the distinction between useful research and commercial product development.

NRL is not “all at sea” and is neither dead nor in need of revitalization, but is firmly perched on the left bank of the Potomac, flush with qualified applicants, ready to serve the national defence of the United States.

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