Chapter 1

The Corruption of Higher Education

Encountering Corruption

After I moved to New Jersey in 1999 and began reading the local newspaper, *The Record* of Bergen County, I was struck by the number and variety of stories about corruption in politics. The issues covered were not unfamiliar to me, a longtime resident of Chicago, but I sensed a different quality from what I knew in my previous home. It appeared that corruption in New Jersey was more a matter of personal gain, with minimal regard for redistributing rewards to constituents or clients. I do not know, in fact, whether this was true or merely an impression but it started me thinking about corruption generally.

An examination of the political science and economic literature revealed the diverse ways in which corruption had been defined. Yet absent from most definitions was recognition of the social and cultural elements that give rise to corruption and shape how it is manifested. Later I would read Granovetter’s (2007) concerns about this lack of attention to social factors involved in corruption, but prior to that, I started exploring the possibility of a comprehensive sociological theory of corruption. I had produced an early draft of such a theory when my continuing newspaper reading brought even more troubling news.

The diligence of local investigative reporters, particularly at the Newark *Star Ledger*, led to a continuing string of stories about wrongdoing at the state’s only public university dedicated to the health care professions, the University of Medicine and Dentistry of New Jersey (*UMDNJ*). Soon the *New York Times* (2006) would call *UMDNJ* a “school for scandal.” The *Times* wrote that *UMDNJ* earned this label because, in the eyes of power brokers, it was “a gigantic playground where money can be thrown around with no accountability” while, to legal authorities, “it is a repository of cronyism, corruption and even criminality.” Initial charges that *UMDNJ*’s hospitals had double-billed Medicare and Medicaid resulted in the dubious distinction that made *UMDNJ* “the first medical school in the nation to go under federal supervision” (Ingle and McClure 2009: 10).

As more information became open to public view, I was convinced that *UMDNJ* was my entry point for the study of corruption. Here was an institution of higher education, relied on by the public to be an authoritative and dependable agent for training and accrediting practitioners who would then go on to
make life and death decisions, displaying serious signs of corruption. In the context of higher education, why is corruption the best way to conceptualize such misconduct? How did UMDNJ come to betray, as well as fulfill, its obligations and how could its actions be explained? Was UMDNJ merely an aberration or were its experiences shared with others educating health care professionals? Finding answers to these questions is the rationale for this book.

Why I attach corruption to the events and behaviors that led to investigations at UMDNJ, and found as well at other universities, will be answered in the following section. Other questions require the remainder of the book to answer. Following the discussion of corruption, I begin with an overview of how others have explained why UMDNJ became corrupted. An evaluation of their arguments leads to my own approach, emphasizing organizational responses to environmental changes, and is foreshadowed in this chapter’s outline of the book.

**Justifying a Label**

In using corruption as a concept to subsume UMDNJ’s practices, I draw support from a varied literature but one that has not produced a single, agreed-upon definition (Johnston 1996: 321–326). Rather than being an impediment to theoretical clarity, variant definitions, shaped by the disciplinary perspectives of definers (e.g., Dobel 1978: 960; Nye 1967: 419; Werlin 1994; Rose-Ackerman 1999: 9; della Porta and Vannucci 1999), provide guidelines for understanding the broader significance of UMDNJ’s behavior by capturing the multi-dimensional meaning of corruption.

Corruption always has a political dimension because its emergence is dependent on inequalities in power. This does not confine it to government officeholders or agencies and their dealings with the public but appears whenever there is “abuse of entrusted power” (Transparency International 2006: xvii; Granovetter 2007: 153). It means that even private actors, like medical personnel or educators who play public roles, are engaged in political relations. Inequalities in power relations are used, often covertly, to provide benefits that exceed the limits that others, particularly those affected by them, consider commensurate with a given position or activities. That is, misuses of power call legitimacy into question. Werlin (1994) conceptualizes how legitimacy may be compromised by locating corruption in the tension between what he calls partisanship – different values underlying struggles over power – and statesmanship – rules of the game for conducting power struggles. Statesmanship imposes limits on how far advantages in power differences can be pursued