

The Manual of the "virtuous" Italian Rector

The risks of the naïve meritocracy in the Italian Universities. 15/1/2010

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"The best is enemy of the good" (Italian popular wisdom)

Abstract: In this article, I suggest how a Rector of an Italian University could react to the regulations introduced by the present government in July 2009 (*"Pacchetto Università"* law), while lacking serious countermeasures to prevent unethical behavior. In light of objective data, I show that he has incentives to the present proliferation of high marks, of ghost students-workers, and low-quality education, which resulted from the Bologna process. If the job market punishes graduate students at the worse level in Europe, the "meritocratic" reform may push it to unprecedented levels. But with more than 50% of the Universities in debt, the "Virtuous" Rector cannot worry about this. He will focus on the "market" of students-workers who fulfill the parameter of "employment within 2 years after graduation" by definition. For the entire active non-graduated working class (18 million), willing perhaps to spend 3000Euros/year, this market could be estimated at about 50Billion Euros a year. Now, of the 1.8 million students today, only 180000 are workers. Limiting the hope of a 10 times increase (which would double the total number of students) by recurring massively to "part-time"/"no-time" enrollment, virtual online and distance-learning (also to avoid limited spaces), this still corresponds to doubling the funding of Universities, without waiting for the government to do so. Nothing new, and not very unrealistic, given what is now seen in former Soviet Union where the percentage is already 5 times higher (46-50% of students-full time workers!), as most young people can't afford *not* to work, and in Castrist Cuba of the "Revolucion Cultural" where most young people cannot afford to work at all (so 100%?!). Another market could be that of politicians itself, since, contrary to the general trend, it has declined to a mere 60% of graduates in Parliament. Rectors in US are not so lucky, since in US the figure is at more than 90%, and mostly from the Ivy League Universities, which in turn fill most of the Top 100 universities in the world.

The "Virtuous" Rector, hoping that the parameters remain so easy to beat also in the future, will ask further increases of the share of "meritocratic" funding from the mere 7%. While leading intellectuals say *"university should be left to its own destiny"*, he will respond to the likely flurry of cosmetic "grand reforms", with a corresponding flurry of cosmetic changes ("Gattopardo" strategy), jam the Universities with endless but fake working groups and committee meetings.

At saturation of the process, the "degree" would completely lose value (and not only the "legal" one), after which the politicians may finally give some consideration to the difficult task of really aligning the system's "quality" and "merit" to the rest of developed countries. At that point, we would be all obliged to reconsider the real *motivations* of Education and what is at stake for the oldest University in the world, of which we have lost perception. However, with increased level of graduates in parliament, the task will be easier!

Key words: Education, Universities, Meritocracy

Introduction

The July 2009 "Pacchetto Università" law introduced, in the words of the young Minister Ms Gelmini, for the first time in Italy a "meritocratic" reward¹. The "competition" was launched by the parameters specified "a posteriori" (criteria were in fact not disclosed to the public until the online journal lavoce.info revealed them) by the regulators defining a classification of Italian "virtuous" and "non virtuous" Universities among which a relatively small portion (7%, i.e. about Eu 500MI) of the ordinary funding was distributed this year. The impact of this was remarkable both in the media, but also because about half of Italian universities are in debt, and hence a further reduction of their funding, even by few percents, makes many situations critical enough to fear "commissariamento" i.e. the first step before bankruptcy.

This sets the scene therefore for some critical change. I suggest here how to "beat the system".

Some background. The "Bologna" process started about 10 years ago, and in Italy resulted in pressure to "align" our graduates to average European standards. In particular, reducing the delay in the average age at graduation (and also abandons), and the low general percentage of graduates (about half the OECD countries' average). We moved to "3+2" system (3 years Bachelor + 2 years Master Degree) (Decree 509 of 1999). The results today, despite lots of effort, are modest: graduates who complete the five-year cycle, ie 60% of the Bachelor graduates, increased only by 20%². "Unfortunately", also other European countries must have increased by the same amount, since a recent Eurostat report suggests the percentage of men with degrees in the age range from 25 to 64 in Italy is exactly half of the European average (11,6% against 23,2%), and worse only in Malta (9,9%), Romania (10,7%) and Check Republic (11,6%)³. Hence, we are in fact back to where we were before Bologna, in terms of numbers!

And it is certainly not only a question of money. In 2002, student fees were at about 1.1 billion Euros – five years later, about 2 billion, because of increasing pressures. Doubling the figures doesn't seem to have remotely changed anything remotely like doubling quality.

But the bad news comes from the quality. The proliferation of the number of degree courses (now over 5000), and of small branch offices of Universities (more than 300, for 94 Universities), implemented with the intent to capture the many Italian students who wants be "in house" with "mamma", corresponded to the basic strategy to expand in the hope of getting more resources in the future, which is perhaps sustainable in a booming economy, but not for too long. The "Law 270" of 2004 sought corrections, but just 5 years later, these are already considered too small, and now the "Law 271" is under preparation

¹This is only very loosely similar to the English RAE (Research Assessment Exercise) which has been running for more than 20 years already in UK, the latest RAE2008 being just announced having seen Cambridge *pass* Oxford -- an historical change which certainly will also make impact in the press. In the future, RAE is changing into a new system (REF) with more emphasis on impact and patents/products. Among the many differences, RAE has always defined parameters well in advance of the RAE 4 years cycle, in order for the Universities to make appropriate steps. The previous italian evaluation (CIVR), was based on data about 10 years old, and has no effect in funding so far. Many were surprised that as many as 30% of the "items" suggested by Universities were judged "excellent".

² Andrea Cammelli, Le caratteristiche del capitale umano dell'università: prima e dopo la Riforma, AlmaLaurea 2009 http://www.almalaurea.it/info/almanews/salastampa/comunicati/2009/sintesi_profilo_laureati2008.pdf

³ For women, it is slightly better, 12.8 vs 22.7.

with a further close. The problem is not simple as Professors traditionally can neither be moved nor fired, by Italian habits and laws.

Meanwhile, the pursuing of the "number" of students alone, and not their quality, seems to have created a much larger problem, of which but nobody speaks about. Stimulated by loss of control at all levels, where accreditation of universities to deliver "legal titles" degrees comes only, in practice, on institution itself of the University, and is practically never reversed, today Italian Universities offer almost "*A degree with honors for everyone*". The average degree mark, which was already very high ten years ago (103 to 110), now reaches values close to the maximum in the Master degrees (108.7 to 110!). A "selling out" which justifies the widespread feeling that "Magna cum Laude" is like the "todos caballeros" of Charles V of Spain. In England, by contrast, where the degree value has no legal effect, only 11% of the candidates wins the highest mark of "First", and rarely fits a "Starred First" (Cambridge, York) or "Congratulatory First" (Oxford)⁴.

With this background situation in 2008, it therefore came natural to think that this process could have something to do with self-excited instability phenomena, which I have studied in the past, where every change to correct one problem introduces additional damage, not just side effects. Specifically, the doubt that the new "meritocracy" rules of the "University Package" launched in July 2009, with the ranking of the "virtuous" universities, could be (perhaps contrary to the intentions of the legislator) *the first concrete and tangible incentive* to generate more and more "virtuous" sell-off of degrees, exams, and grades, without curing the disease. Moreover, to generate even a direct immediate "damage" to the work market and competitiveness of Italy, by feeding or even creating an ultra-flexible devalued labor market. All this, because of a lack of appropriate counter-measures and feedback loops. So I tried to study with scientific method, an engineer, data on graduates and labor market, crossing some of them in a way which seems to me the original.

The July 2009 mix of "meritocratic" parameters

The mix of parameters used by the Ministry to compile the latest ranking of "virtuous" universities, on "the quality of teaching" (accounting for 1 / 3) are:

1) almost half (40%) depends on the amount of students who register for the second year, having made at least 2 / 3 of the first year exams. This "*rewards universities which value teaching quality and in general universities that act against students' dispersal*". But with the loose Italian system of grading, which is in the full hands of Professors without any control, what would it take for Professors to give up all ethics and give for once and for free all the exams, at the end of the first year, going up in the score! What danger do they incur? Who punishes the teachers who will do that? A "virtuous" but unethical Rector could suggest it, perhaps without making too much noise, teacher by teacher.

About the remaining three parameters that weigh each for a 20%:

⁴ SFR 117: Higher education student enrolments and qualifications obtained at higher education institutions in the United Kingdom for the academic year 2006/07, Higher Education Statistics Agency, 10 January 2008

2) the "percentage of graduates finding work in 3 years from graduation" But what kind of work? In recent years, the Italian job market has considerably increased the gap between extremely rigid permanent contracts for those who entered, and extremely "flexible" contracts at minimum levels (think of the "call center"). As suggested by a popular and remarkable book by a young Italian phd student in Carnegie Mellon, Irene Tinagli⁵, the 28.2% of graduates is today earning under 800 Euros per month (while only 14 % of those with primary or 14.1% of those with secondary education only). Of all OECD countries, we are the one which pays less graduates between 30 and 40 years of age --- clear trends towards motivation to start work sooner rather than studying. The "*piece of paper*" (a popular expression in Italy until so far, when the laurea gave you access to the whole world of stable and well paid professions) may cost less in Italy than in other countries in terms of University fees, but it is so largely losing value, that in fact according to these statistics, it is, on average, a *waste in terms of time and money*. That the market has spotted this is in fact proven by the percentage of "worker-students" (meaning full time job, not just occasional ones) which is steadily rising on a national scale but, where a few years ago, it was at about 2% as it was perceived as impossible to study and work at the same time under the old system, which is now at about 10% of all students. A good "virtuoso" Rector can manage to grab workers-students in mass, by implementing unfair advantages to those who do not attend lessons regularly, perhaps using the new "online" university system. An interesting phenomenon is now seen in former Soviet Union (46-50% of students-full time workers⁶).

3) "*for the universities that give classes with their permanent teachers and limiting the use of contracts and foreign teachers.*" This is, in the intention of the legislator, "*to limit the bad practice of proliferation of courses and lessons performed by personnel other than permanent,*". However, who created this proliferation, if not the initial idea of attracting more students are possible? It certainly accentuated the italic trend of "in house" students (51.3% in 2008 instead of 46.4% in 2001), particularly among graduates of the first level, less in graduate programs where students may feel the need move. Should we cut, it would be a "return to the future". The "virtuous" Rector who does not want to upset anyone will take the best Italic geniuses to find solutions to work around the problem ("confederation" between universities, "inter-university" courses) with results to date can not be estimated but probably closer to the rule of commutative Algebra: "*changing the order of the factors, the product does not change*", which is also what is know in Italy as *Gattopardo's philosophy* which comes from Marques Tancredi's phrase in Tomasi di Lampedusa's novel which was famous for the Visconti movie version with Alain Delon, Burt Lancaster and a young Claudia Cardinale "*Everything has to change, if nothing is going to change!* Not being able to resolve given the lack of real decision-making tools, as firing or even moving teachers from one location to another, in Italy would be a matter for a highly unpopular reform of colossal dimensions, whereas today everyone speaks of "shared reforms". The Rector "Virtuoso" can not quickly convince large numbers of students to move out of their homes, and vice versa will try to convince that you can get a degree without attending and effortlessly. To pay occasional foreign or prestige teachers, the first goal of the original idea which was especially convenient with a University system which is one of the most "splendidly isolated" in the world⁷, with the deficits in the budget, must be classified as "non-virtuous", and to be avoided like the plague.

⁵ Irene Tinagli, "Talento da svendere", Einaudi, 2008.

⁶ <http://nesch.ieie.nsc.ru/Gerchikov.html>, <http://job.rsuh.ru/article.html?id=56456> in russian language

⁷ Lo splendido isolamento dell'università italiana Stefano Gagliarducci, Andrea Ichino, Giovanni Peri, Roberto Perotti, febbraio 2005, www2.dse.unibo.it/ichino/gipp_declino_18.pdf

Incidentally, the Gattopardo strategy has been used and will be used in the future to find cosmetic “countermeasures” to every cosmetic reform, as is generally done in Italy.



Fig.1 – A scene from Gattopardo. Luchino Visconti, 1963

4) For 20% to “the universities which give students the opportunity questionnaire to assess the quality of teaching and the satisfaction degree courses attended”. Notice that the ability is not to receive good evaluations from students, but just an evaluation at all. Hence, paradoxically, a 100% very bad evaluation would result in a very high score! The “Virtuoso” Rector will give the questionnaires to all students next year, and will put them in his desk’s tray. Even if next year this absurd is corrected, how many students would not be very happy to have votes and exams for no effort? The “Virtuous” Rector will convince teachers to give up, and this parameter will be high. As in the meantime the Minister is threatening the use of badges to “control” the professors in their work, then the solution will be to use the badge in the morning, and then go to a nice café, to drink the Italian world-famous good coffee. This is how the Italian University, the oldest in the world, despite all that talent together still situated the eighth for the production of scientific papers of quality in the world⁸, will reduce to offices of “walking zombies”.

Finally, regarding the parameters related to the quality of research (which account for 2 / 3), a Rector today can do very little, with the strangled budgets which in Italy in most Universities account for nearly (or over) the 100% of their permanent funding. A previous definition of “Virtuous” was indeed based on this percentage, which however is uncontrollable since the cost of each Professor varies significantly, not because of his negotiations with the Universities, but purely on his age. Hence, with the simultaneous chaos on the “*concorsi*” (the never solved problem of hiring system, which saw many “recipes” changing, but resulted in the last 40 years inevitably in real “tsunami” of hiring and non-hiring, and which is another uncontrollable process today and in years to come, where one of the oldest population of academics will retire. Prospects for new hires or transfers are modest, and are in contrast with many other requests, and the lack of funds. The most virtuous of the universities this year, Trento, gets only 6 million Euros more: *crumbs!* A “Virtuous” Rector will not waste too much time.

The market of parliamentarian student-workers

Despite in Italy from after the war there was a large boom of universities, recent surprising statistics by brilliant Italian economists⁹ observed one category is less represented by graduates (from 90% in 1948, to 60%, in 2000): the parliament! While the educational crisis in Italy has major effects but similar trends to

⁸ SCImago. (2007). SJR — SCImago Journal & Country Rank. Retrieved May 04, 2008, <http://www.scimagojr.com>

⁹ Antonio Merlo, Vincenzo Galasso, Massimiliano Landi and Andrea Mattozzi, The labor market of Italian politicians, convegno Fondazione Rodolfo De Benedetti, see also S. Rizzo and GA Stella “La Casta”, 2007 Rizzoli.

other countries (exception made for the centers of excellence), the trend of the graduates among politicians is opposite to that of countries, as in US it has increased from 88% to 94%. Given US universities are also much higher in Times and «Shanghai Jiao Tong University» classifications, there must be something to investigate here. Curiously, a MoP in Italy has increased his salary from 5 to 8 times more than the worker, and from 3 to 4 times that of a manager.

The risk at stake: we risk going back to a decade ago as a number of students, all will be “110 and Lode” (First class honors), the market will propose only almost jobs for free to everyone, the teachers will warm up their chair (also because heating will go down) or take other work from home and all “meritocratic” parameters will be very high. A realistic scenario, already seen in the East after the collapse. The elephant of the major reforms of excellence has given birth to the mouse, but this is born sick, and has also infected all the other mice, killing them.

Epilogue:

Some well known economists including Alesina from Harvard, or Giavazzi and Perotti from Bocconi, who write regularly Editorials on top journals in Italy are now pessimistically suggesting Italian universities to be “uncontrollable” so that they should be “left to their destiny”¹⁰. Similarly, the “ISIhighlycited” Italian scientists declared that the only way out is a full deregulation with 3 big abolishments¹¹: permanent jobs, public competition in hiring, and “legal value” of the degree. The idea of such big de-regulation which is even stronger than in US, worries me not because it would not be effective, but because it is most unlikely to happen in Italy, unless one government risks a big popular revolt. Hence, while the “top scientists” suggests this solution, the politicians in fact develop one reform after the other, with the coming one (“ddl Gelmini”) suggesting new “incentives” will be given by “simplification” of the Governance, which is suggested by about 500 different new articles in the law! Whether all this paradoxical situation is done on purpose, to strangle and snow under problems the old “ivory towers” of public Universities, considered classically to be the domain of the left-wing intellectuals, cannot be said with scientific certainty. Certainly, it is most unlikely that with all Universities good mind busy to develop a Gattopardo’s solution to exit from this “black hole” in the next 3 or 4 years, the outcome will be a certain decline.

The only advantage will come not to the “Excellence” centre, as in the declarations, but to new entities like low-quality Universities especially of the “online” version. Since these universities devolve the same “legal value” of degree, with slightly higher fees, they seem to have found a good business. To solve nepotism in Italian public universities, this seems to be the strategy!

I don’t have the ambition to give a final solution, in this limited space, but much healthier “virtuous” circles are at work in the world, without the need to invent anything so tricky. At MIT graduates are classified and followed during their career, which is often very successful as they learn state-of-the-art technology, and invent new one. They go on to generate revenues worth like about all France, according to estimates, and hence more than the entire Italy¹². Since we know this is where the big Ivy League Universities

¹⁰ <http://www.lavoce.info/articoli/pagina774.html> and Roberto Perotti: "The Italian University System: Rules vs. Incentives", in: "Annual Report on Monitoring Italy 2002", Istituto di Studi e Analisi Economica (ISAE), Roma 2002

¹¹ PM Manucci, Università: Ministro, più coraggio! 3 gennaio, 2009 Scienza in Rete, www.lascienzainrete.it/node/116

¹² Kauffman Foundation study finds MIT alumni companies generate billions for regional economies". MIT News Office. February 17, 2009. <http://web.mit.edu/newsoffice/2009/kauffman-study-0217.html>.

“endowments” come from, here we have a closed virtuous circle, likely to work without much instability for years to come. Naturally, Harvard’s endowment alone is of the same order of magnitude of the whole of Italian University funding (about Eu17Mld), has more ISIhighlycited scientists than Italy¹³ (85 vs 81), so it is not easy to find where to start this virtuous circle. But I do see higher risk today to move towards the downward circle, also thanks to the illuminating ideas that big and leading Italian economists, paradoxically working at Harvard, suggest naively to Italian politicians!

¹³ www.isihighlycited.com