The Spending Power of the State versus Buffer Institutions

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Canada is a Federal State where higher education is a responsibility of each of the Provinces.

In the Province of Quebec, the network of universities is composed of institutions which differ according to their size and their date of establishment. Those universities are formally autonomous because they are self-governed, not subject to government bureaucratic controls and because they have academic freedom.

An accrued demand for university services has been formulated through the years. This has required more financial resources from government. That 'provider' role has permitted the State to exercise a greater influence on universities and to use its spending power to orientate their actions.

It is normal that with greater public financing, the population and the State expect greater accountability from the universities. But there could be a difference between long-term public interest and the interpretation of that interest by a particular government. The leading threat of accountability is the formulation and realization of objectives where universities and government are the main actors with a buffer institution to regulate their relationship.

In Quebec, the main buffer institution is the Council of

Universities, created in 1968 as an advisory body to the Minister of Higher Education. Its two main functions are to advise the Minister on higher education financing and to coordinate the development of higher education. The Council is also empowered to make suggestions to universities though it does not have any decisive power.

The Council could be transformed into a buffer institution with real powers to coordinate development, establish needs, distribute financial grants and manage the audit system. It should represent public interest in the first place, but the universities would participate in the decision process through their representatives and could also speak with a strong single voice through another buffer institution, the Conference of Rectors and Principals. That system would provide a linkage that takes into account both the autonomy of universities and the overall responsibility of the State.

Unfortunately the trends are not in this direction but are rather towards greater direct control from the State. The main reason is that too much of the funding is coming from that single source and so there is a supremacy of the spending power of the State upon the autonomy of the universities.

'He who pays the piper, calls the tune.'