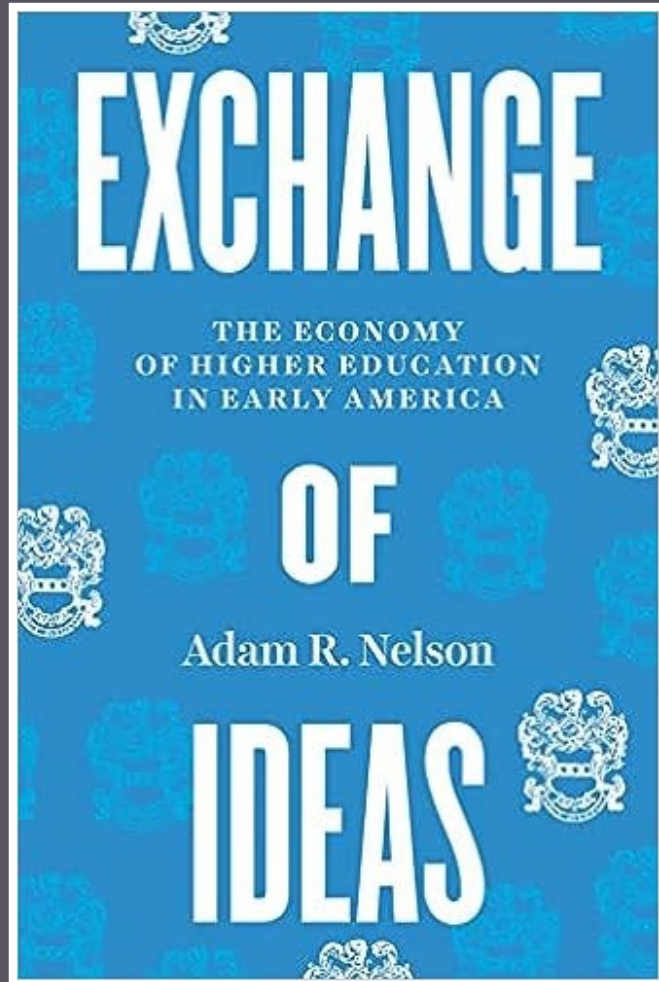
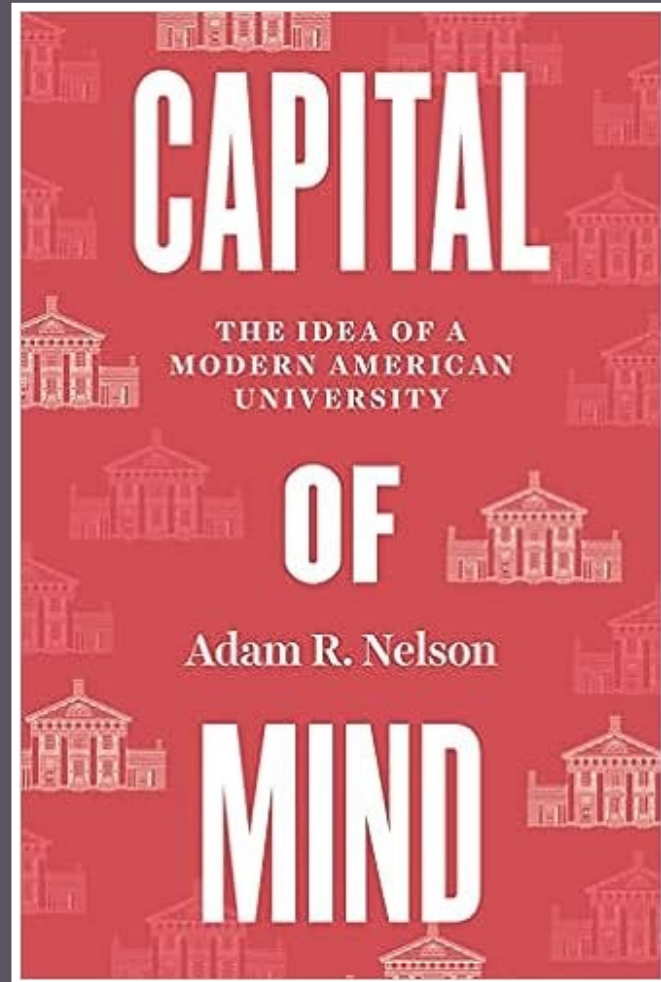


THE POLITICAL ECONOMY OF HIGHER EDUCATION IN EARLY AMERICA

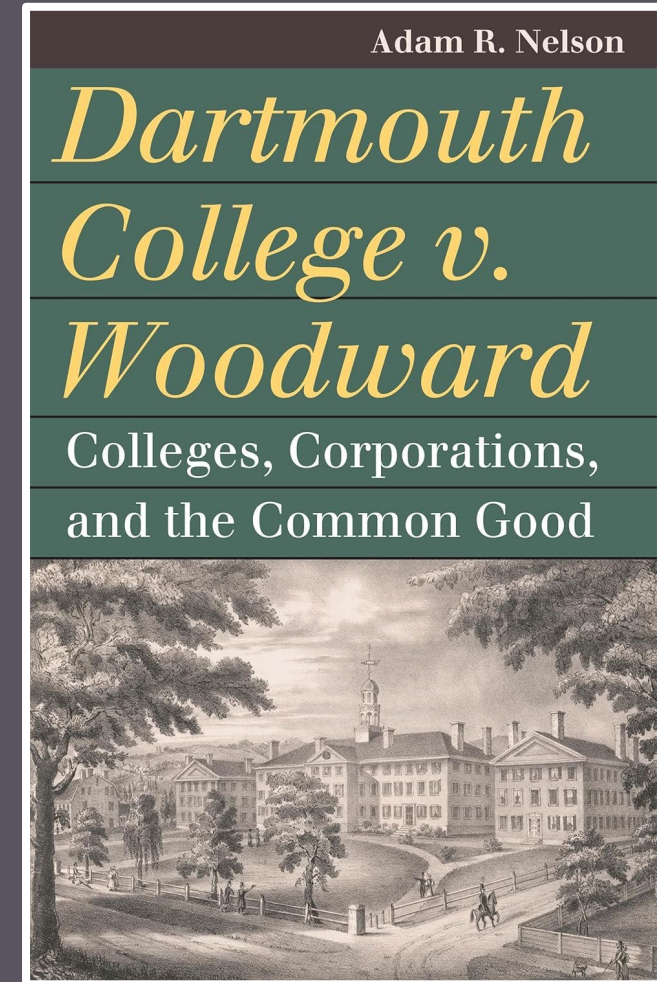
ADAM R. NELSON
UNIVERSITY OF WISCONSIN-MADISON



(2023)



(2024)



(2025)

Debating the “value” of higher education

Private value:- return-on-investment

- technology transfer
- internationalization/globalization
- social networks and personal/intellectual growth

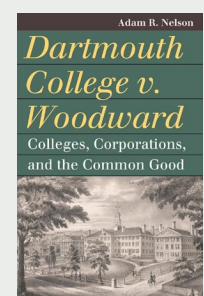
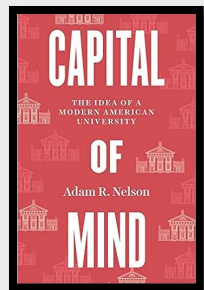
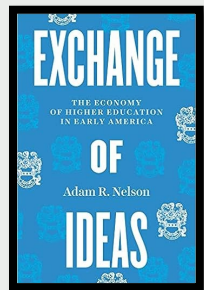
Public value: - educated citizens

- public expertise
- national competitiveness
- scientific/humanistic development

DIMINISHED STATE/GOVERNMENT SUPPORT

INCREASED TUITION COSTS AND DECREASED LABOR-MARKET RETURNS

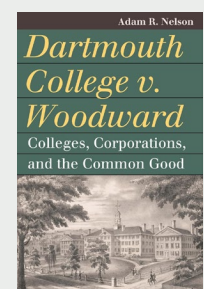
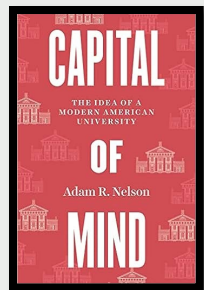
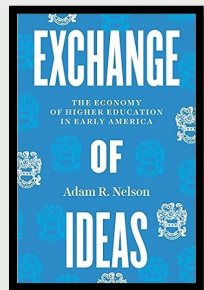
“DISRUPTIVE” TECH: ONLINE DEGREES/ARTIFICIAL INTELLIGENCE



Debating the “value” of higher education

CULTURAL POLITICS AND THE PUBLIC/PRIVATE VALUE OF “CRITICAL THINKING”

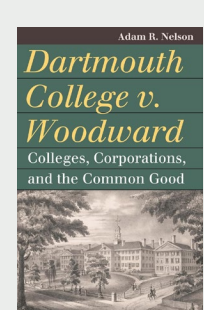
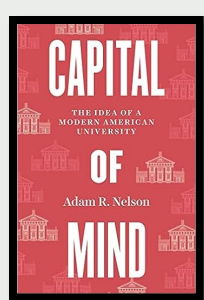
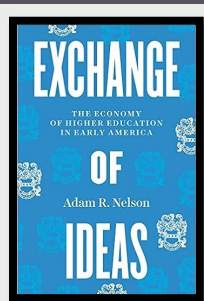
- A. - core skill/disposition of a “liberal arts education” for democratic citizenship
 - viewpoint diversity, participation equity, discursive inclusion
- B. - viewpoint uniformity, participation inequity, discursive exclusion
 - identity enclaves, safe spaces, trigger warnings, speech codes/regulation
 - leftist or “biased” against traditionalism or conservatism (e.g., religious)
 - [affirmative action as anti-white discrimination (*SFFA v. Harvard*, 2023)]
 - “woke”-ism . . . as contemporary academic *illiberalism*



Debating the “value” of higher education

THE POLITICAL ECONOMY OF HIGHER EDUCATION: TRUMP ADMINISTRATION

- A.** Withheld federal research grants on pretext of antisemitism or “woke”-ism that allegedly suppresses/distorts freedom of thought/expression
- B.** Extracted financial settlements to resolve federal legal claims and promised grants to universities that sign government “Compact” (settlements with University of Pennsylvania, University of Virginia, Brown, Cornell, Columbia, Northwestern)
- C.** Threatened accreditation for non-aligned/non-compliant universities (would affect eligibility for student loans and jeopardize financial survival)
- D.** Revoked visas for international students and deported undocumented students



Debating the “value” of higher education

THE POLITICAL ECONOMY OF HIGHER EDUCATION

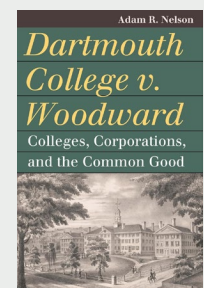
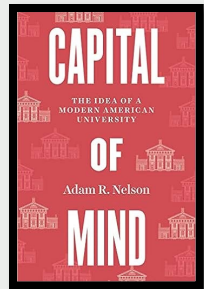
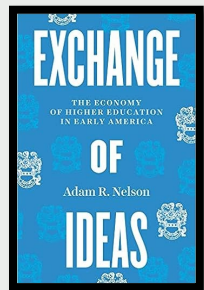
If higher education institutions are (inherently?) “politicized,” ...

- A. Should they receive public support/aid in exchange for public supervision?
- B. Should they rely (even more) on “private” support (tuition, donations, etc.)?

QUESTIONS/CONFUSION ABOUT THE ROLE OF THE STATE vs. THE MARKET

If public (“government”) and private (“corporate”) seem equally “politicized,” ...

- A. Which is more likely to protect academic freedom?
- B. Which is more likely to preserve the pursuit of truth (or “knowledge” itself)?



**THESE DEBATES,
QUESTIONS,
WORRIES ...**

... ARE NOT NEW

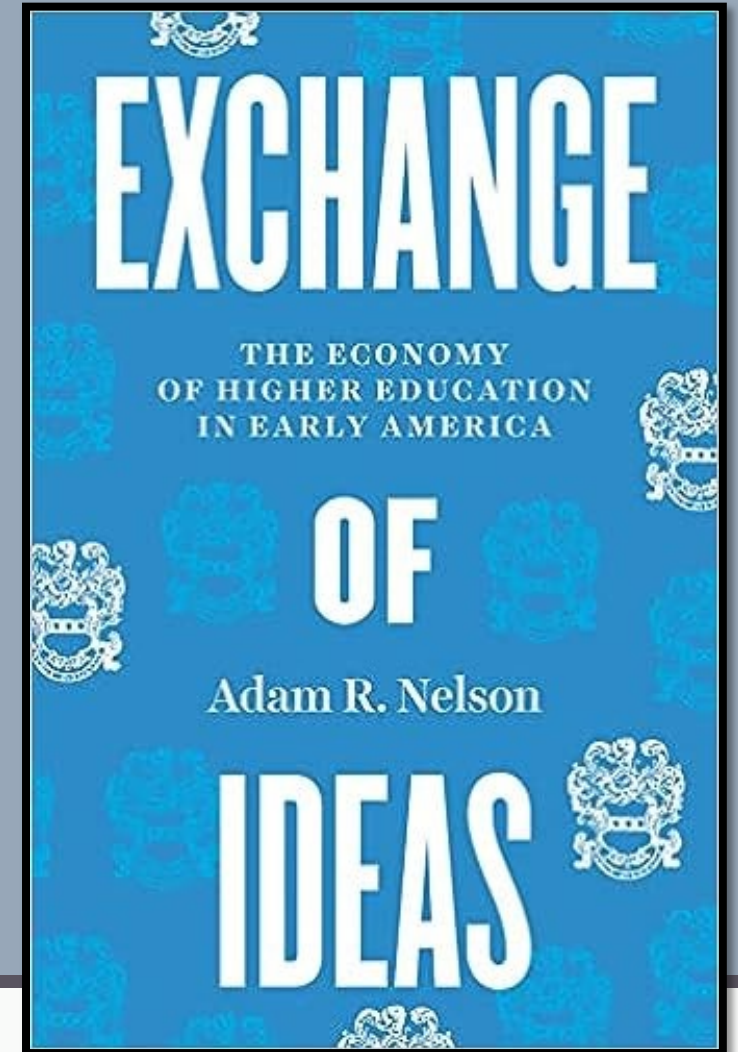
2026 = 250th Anniversary of the “Declaration of Independence”

The revolution posed important questions about the purpose of higher education in a capitalist democracy (republic) and how a “modern” academic marketplace should be structured.

In the newly independent United States, the forces of capital far exceeded government power/resources/capacity. In this context—when education was actively “politicized”—should institutions of higher education ...

- A. *Seek public support in exchange for public supervision?*
- B. *Seek private support?*

* Which strategy advanced the revolution’s ideals of republicanism?

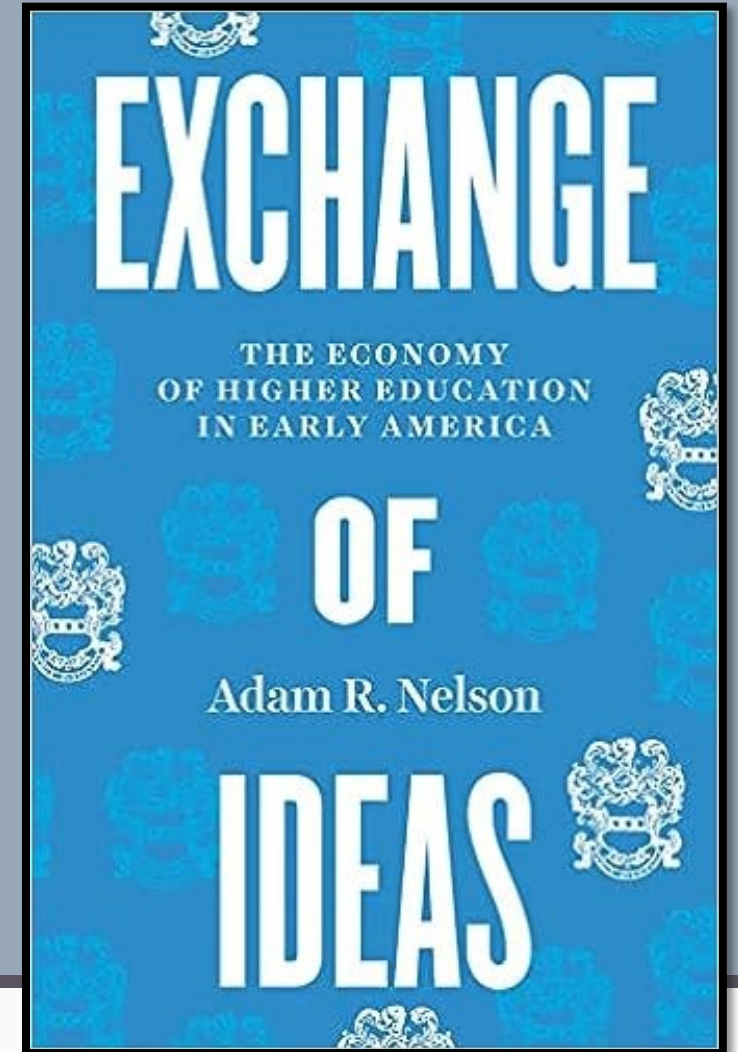


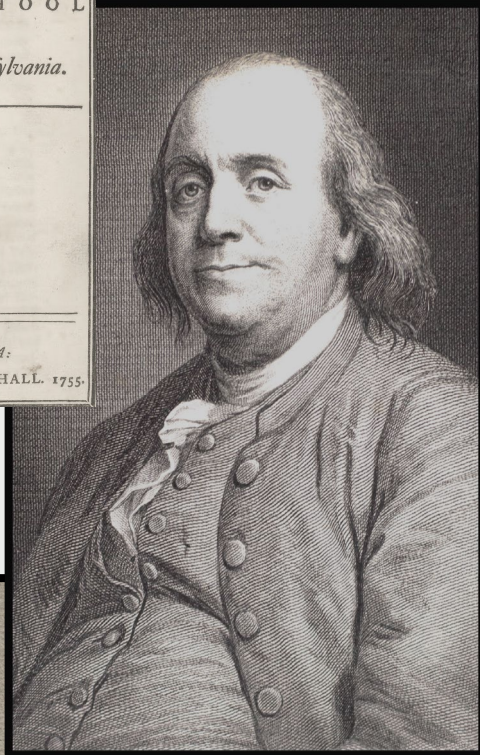
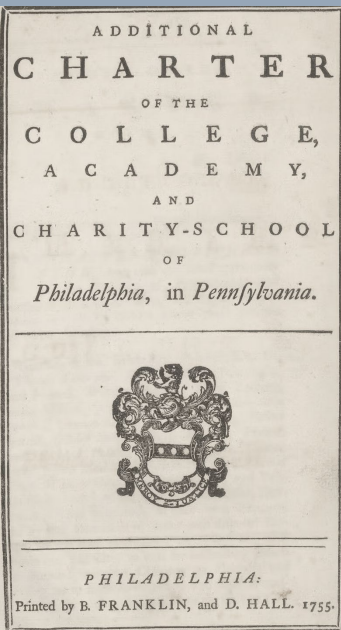
Outline

1. Mercantilism (c. 1750-1776)
2. Republicanism (c. 1776-1791)
3. Nationalism (c. 1791-1815)
4. Liberalism (c. 1815-1860)

CASE:

College of Philadelphia/University of Pennsylvania





1. Mercantilism (c. 1750-1776)

College of Philadelphia

- Academy of Philadelphia (1750)
- College of Philadelphia (1755)

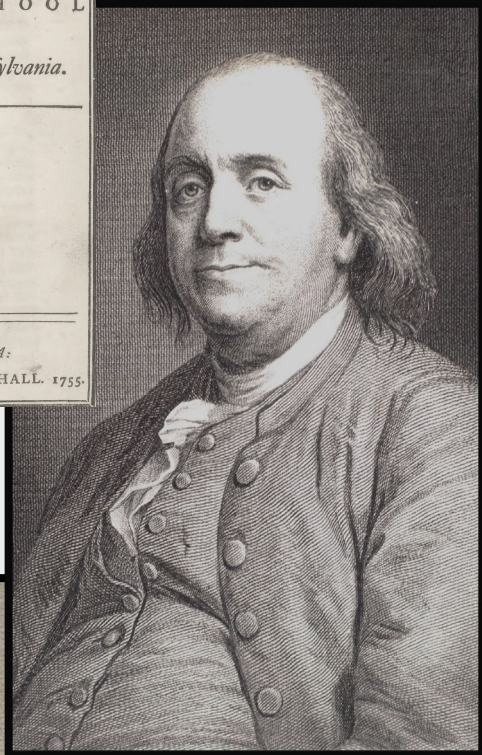
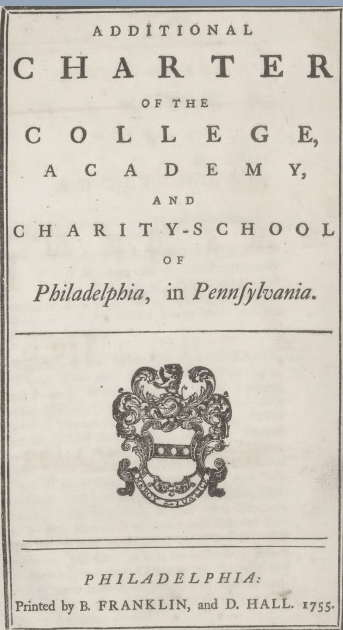
Colonial governments controlled higher-education markets
+ One college per colony, "quasi-public" support

"Established" (tax-funded) vs. "Dissenter" (not tax-funded)
+ Congregationalists/Anglicans vs. Presbyterians/Baptists

- * Harvard (MA), *Puritan/Congregationalist* - 1636
- * William and Mary (VA), *Anglican* - 1693
- * Yale (CT), *Congregationalist* - 1701
- * Princeton (NJ), *Dissenter* - 1746
- * King's (Columbia) (NY), *Anglican* - 1754
- * **Philadelphia (PA), *Non-sectarian* (Anglican) - 1755**
- * Rhode Island (Brown) (RI), *Non-sectarian (Dissenter)* - 1764

College of Philadelphia =

non-sectarian (Anglican rector)



2. Republicanism (c. 1776-1791)

College of Philadelphia → University of the State of Pennsylvania (1779)

REVOLUTION AND (CONTESTED) "REPUBLICAN" IDEALS:

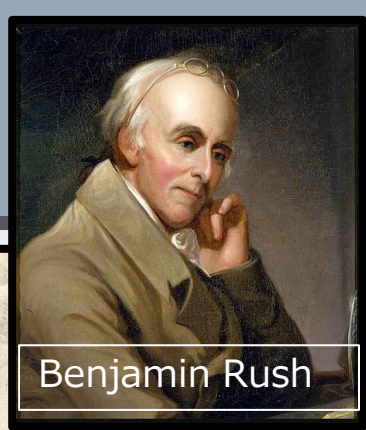
- Commercial republicanism ("free trade")
- Civic/commonwealth republicanism ("public service")

PENNSYLVANIA'S RADICAL/POPULIST REPUBLICANISM:

- Oath of political loyalty/partisan allegiance
- Public seizure of private colonial/corporate assets
- Anti-elitist "practical" (non-classical) curriculum
- Public support in exchange for public service/supervision

U. of State of Pennsylvania =

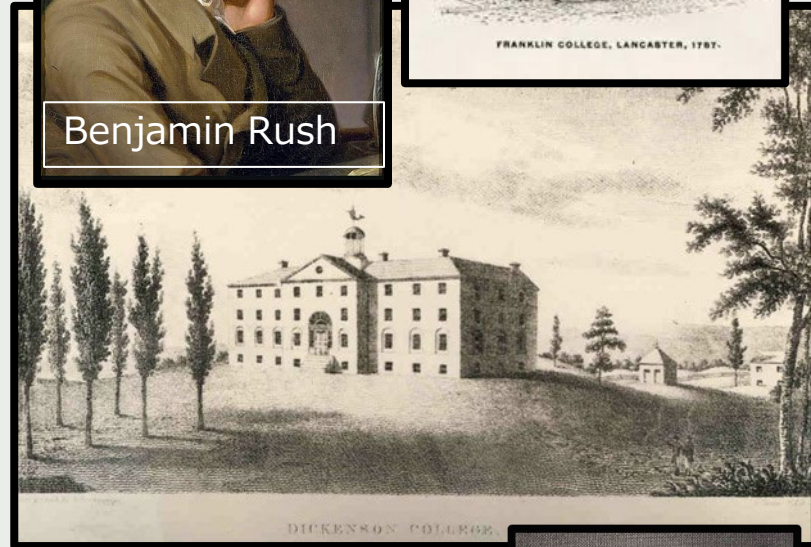
completely state-controlled, in the "public interest"



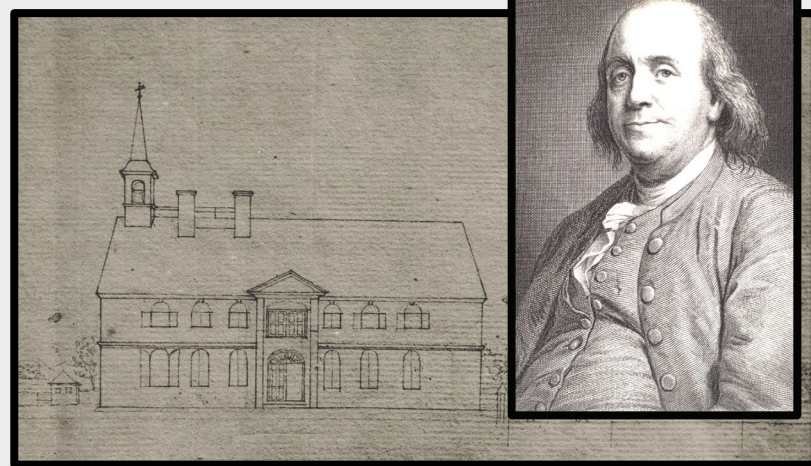
Benjamin Rush



FRANKLIN COLLEGE, LANCASTER, 1787.



DICKINSON COLLEGE



2. Republicanism (c. 1776-1791)

University of the State of Pennsylvania → University of Pennsylvania (1791)

REVOLUTION AND (CONTESTED) "REPUBLICAN" IDEALS:

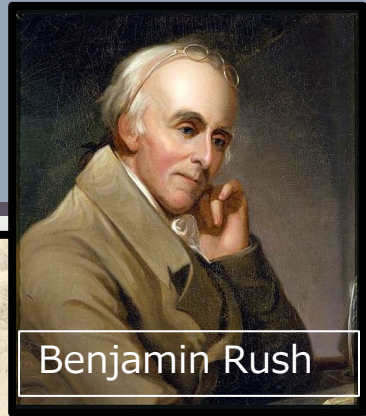
- Commercial republicanism ("free trade")
- Civic/commonwealth republicanism ("public service")

A COMPETITIVE MARKET FOR HIGHER EDUCATION:

- * Dickinson College (1784) – Benjamin Rush
- * Franklin College (1787) – Benjamin Rush
 - * *Constitution fully ratified, Benjamin Franklin died (1790)*
- * University of Pennsylvania (1791) – William Smith

University of Pennsylvania =

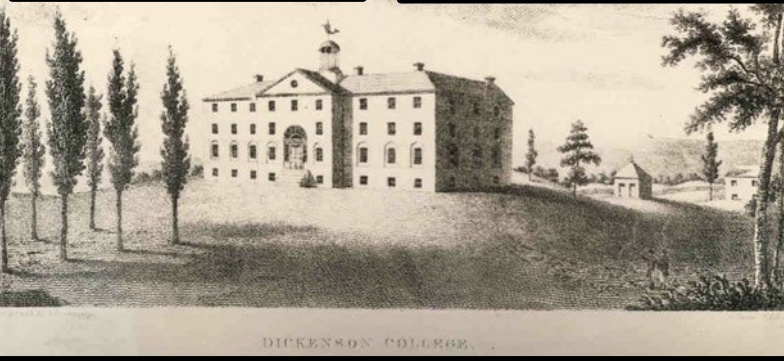
privately (re)incorporated to foster advanced scholarship



Benjamin Rush



Charles Nisbet



"Everything is supposed to be so much 'improved' in the present age that I should not be surprised to hear of students receiving degrees without any study at all." ~ Charles Nisbet

3. Nationalism (c. 1791-1815)

THE FRENCH REVOLUTION, POLITICAL POLARIZATION, INSTITUTIONAL COMPETITION, AND "CULTURE WARS" AT DICKINSON COLLEGE (1790s):

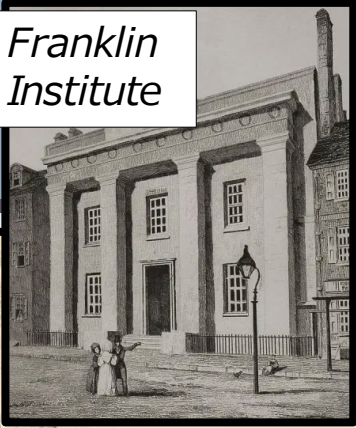
Privatization, deregulation, education, and legitimation:

- A. Radical "democratization"** (1-year college degrees)
 - "Leveled" access (anti-elitism as anti-meritocracy)
 - "Practical" curriculum (to compete with academies)
 - "Non-sectarianism" as "*secularism*" (even "*atheism*")
- B. Conservative reaction under Charles Nisbet**
 - 1. Anti-internationalism
 - Fear of transnational ideological contamination
 - Fear of academic freedom/open exchange of ideas
 - 2. Anti-centralization/anti-statism/anti-state aid
 - Fear of "French" models

Dickinson College =

defended private corporate self-governance as republican ideal

*Franklin
Institute*



Franklin College



Dickinson College



Gettysburg College



Lafayette College



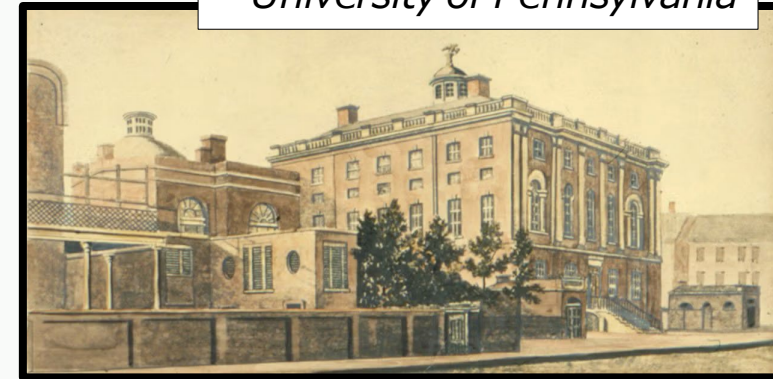
4. Liberalism (c. 1815-1860)

Ideological polarization led to politicization of colleges, which in turn prompted a liberalization (democratization/fragmentation) of the higher-education marketplace.

Result was a proliferation of colleges: privately incorporated, fiercely competitive, denominational, practical, increasingly “sectional” . . .

- * University of Pennsylvania
- * Dickinson College
- * Franklin College
- * Franklin Institute (1824)
- * Lafayette College (1826)
- * Gettysburg College (1832)
- * Villanova (1842), Bucknell (1846), Muhlenberg (1848), St. Joseph’s (1851), Ashmun/Lincoln (1854), etc.

University of Pennsylvania



Little or no public financial support (*Dartmouth*, 1819) until the Pennsylvania State University (1855)

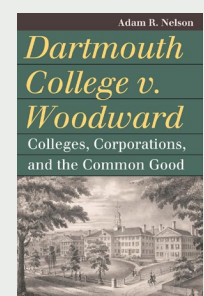
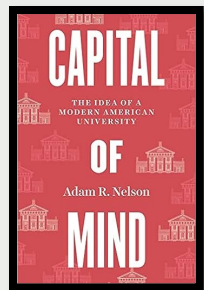
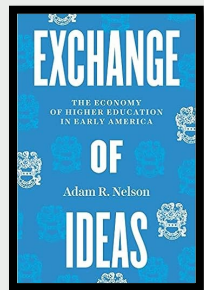
The political economy of higher education in early America

FROM QUASI-PUBLIC TO INCREASINGLY PRIVATE:

Privatization/liberalization of the higher-education market was . . .

- A response to political polarization and the failure of civic/commonwealth republican ideals
- A form of protection against “extreme” government/public (populist) control.
- A retreat into rival nationalism(s), sectional alliances, and ideological entrenchments

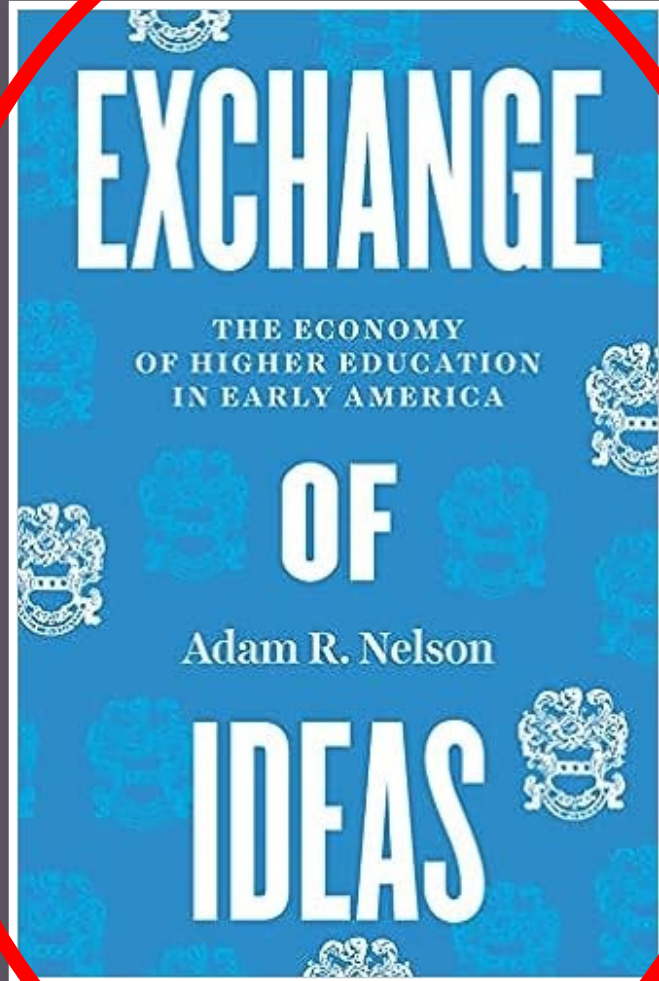
The loss/lack of public financial support (in exchange for public service) became the next big question in the political economy of American higher education — answered in part during the Civil War via the Morrill Land-Grant Act (1862).



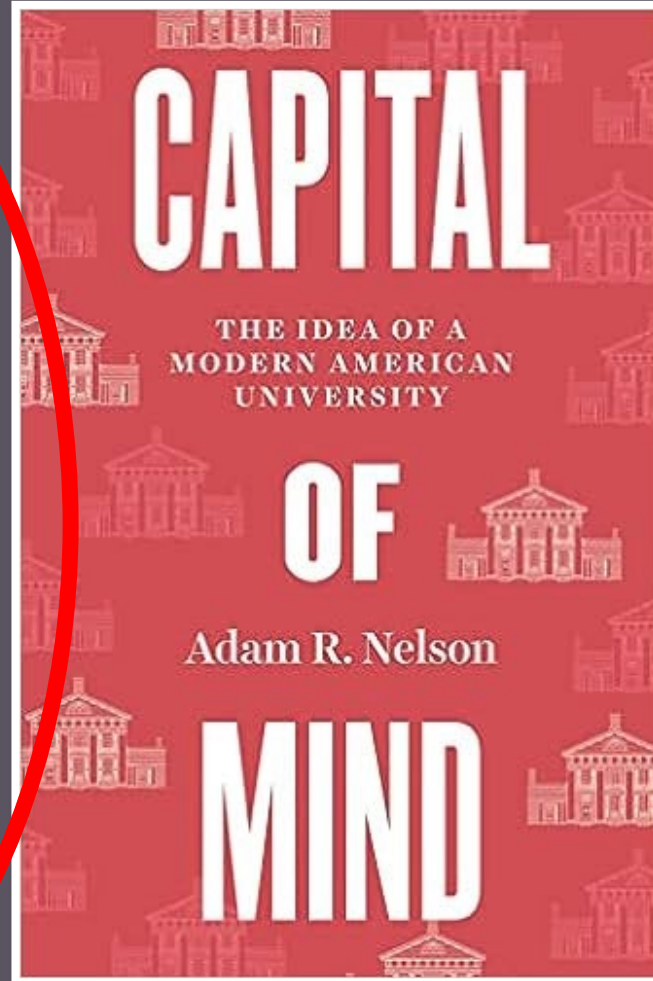
THANK YOU!

Adam R. Nelson

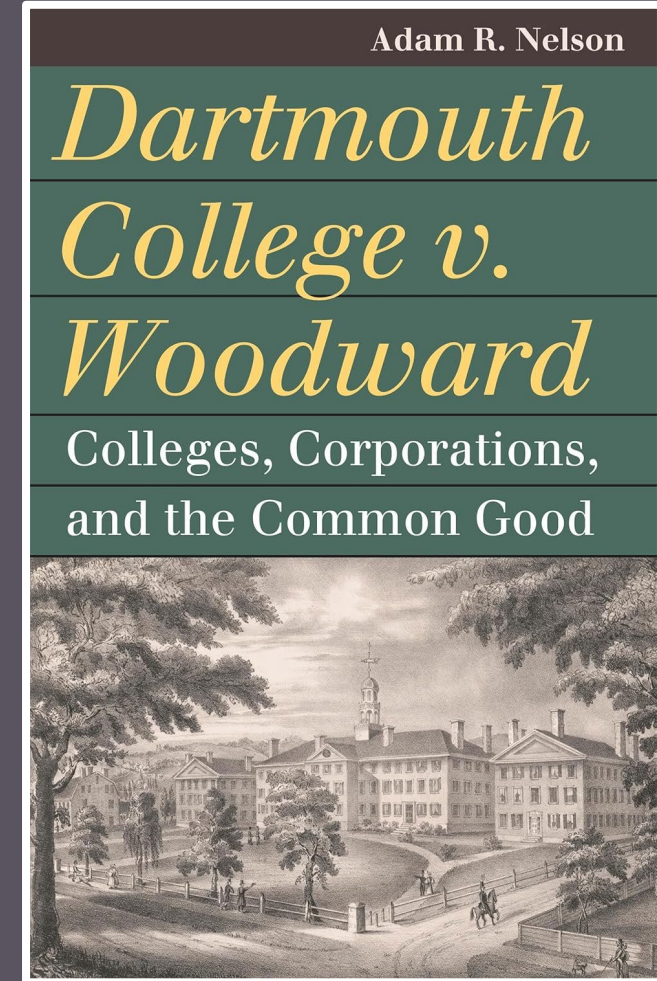
adam.nelson@wisc.edu



(2023)



(2024)



(2025)

Debating the “value” of higher education

THE POLITICAL ECONOMY OF HIGHER EDUCATION

QUESTIONS/CONFUSION ABOUT THE ROLE OF THE STATE vs. THE MARKET

A. Today’s political left worries about the seemingly ubiquitous prioritization of market logics in modern education (and modern life) via “neoliberal” reforms that commercialize and commodify.

- *seeks public aid to higher education with only modest legislative oversight*

B. Today’s political right worries about the seemingly ubiquitous power of the “establishment” over personal freedoms/beliefs and the alleged ideological capture of core institutions such as courts, media, and schools/universities.

- *seeks dramatic (re)privatization of higher education—or even its delegitimation*

