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JANUS is the work of a small group of partly retired and retired faculty designed to provide, each term, a continuing forum to all faculty for thoughtful discussion of University of Montana topics. The editorial board discusses and solicits manuscripts on specific issues but unsolicited manuscripts are very welcome. To take advantage of low cost reproduction techniques, which will make this journal effort economically feasible, we ask that all manuscripts be limited to 10 pages single spaced and be camera ready without pagination. Manuscripts ready by January 15 should be sent to CP104. For further information, please call one or other of the following on campus or at home: W. Ballard, M. Chessin, J. Cox, D. Hampton, T. Payne, H. Reinhardt, R. Solberg, R. Smith, or M. Behan. JANUS is funded with the help of The University of Montana Faculty Senate.



Reflections

by Annie Pontrelli, formerly UM Centennial Coordinator

Although the Centennial Celebration is now over, many fond memories remain of the many projects I had the privilege to coordinate. During the summer of 1991, I had the special honor of interviewing seventy former UM students, faculty, staff and administrators, as part of the Centennial oral history project. The University's hundredth birthday seemed a fitting occasion for obtaining peoples' stories on record, since it is the people who create the history of The University of Montana.

Some of those tapes have been transcribed, the rest are still in process, and all are filled with great information. All of the interviewees gave a different perspective about the changes witnessed through the years, their personal accomplishments and challenges, advice they'd give to teachers and students today, and more.

At the outset of this project I didn't anticipate the emotions the experience would evoke. Many tears were shed in the reminiscing process--sad tears, happy tears and the kind that come when people talk about something that is a huge part of their lives. I was deeply moved on several occasions.

There were certainly differing opinions about the various administrations, which was no surprise. On more than one occasion I was asked to turn off the tape while a scandal was relayed to my listening ears.

It would be impossible to summarize each person's story in a few words, so I encourage you to go to the Mansfield Library archives to check out the tapes. Hear about Philip Wright and the Wildlife Program; Cal Murphy and his contributions to the financial system of the University as business manager and controller. Listen to Fred Henningsen and Donald Emblen and hear about their development of the accounting department; Patricia Freeman Dunkham reminiscing about her father Edmund Freeman; Bob Sullivan relaying the story of the Waterford chandelier that hangs in the Law School's Pope Room and Rudy Autio recalling his commission to sculpt the well-known and much photographed grizzly bear at the west end of the Oval. Bob Pantzer shares his memories as the University president during the tumultuous '60s, and Vince and Es Wilson talk about the beginnings of the physical therapy department. These and many more wonderful stories are in the collection for you to hear.

Many spoke of how the campus has changed over the years in many ways. There are more buildings, cars no longer drive around the Oval, the faculty club is gone, and the student population has increased by several thousand.

On the other hand, much has remained the same throughout the years. Budget problems continue to plague us, the faculty is still underpaid, and the politics still flourish. But what also has remained unchanged is that people here care. They care about what they teach and how they teach it. They care that students are enriched and challenged and educated. And they care about each other. That remains and I'm confident it will continue for the next 100 years.

A Rejoinder to Natelson's "A Scholar in Politics"

by Thomas Payne

In an article in the Fall 1993 issue of Janus, entitled "A Scholar in Politics: A Personal Account," Professor Robert G. Natelson sets forth his assumptions concerning the relationship between Montana's tax policy and the performance of its economy. He asserts that his findings and conclusions on this subject prompted him to organize and lead what proved to be a successful campaign in 1993 to secure sufficient signatures on petitions to place the fate of a 1993 legislative tax measure, House Bill 671, on the November 1994 ballot as a referendum measure, and to suspend its implementation until the voter's verdict in 1994. For a complete statement of Professor Natelson's position and description of the 1993 campaign, the reader is encouraged to read his Janus article.

Professor Natelson's assumptions concerning the tax policies of Montana and their consequences for the state's economy may be summarized briefly as follows:

- (1) Montana's economy is not growing as rapidly as are those of most American states, and most neighboring states in the West;
- (2) the shortfall in Montana's economic growth, especially since the mid-1970s, is due to the state's tax policy, which has generated excessive rates of taxation when compared to taxes in other states;
- (3) Montana's elected officials have, in general, been unresponsive to concern about tax policy or unaware of the consequences, and, on the contrary, exaggerated the extent of the state's fiscal crisis, preferring tax increases to reduction of state expenditures;
- (4) and finally, public officials have failed to pay more than lip service to the concept of "reinventing government," which offers the prospect of downsizing and streamlining an overgrown and wasteful state bureaucracy.

Professor Natelson maintains that by his efforts to defeat the sales tax and House Bill 671, he has performed an important public service and has satisfied the expectations of the UM Law School and University that faculty perform some public service. He observes that "...my family and I have paid a high price for the stand we have taken." and that he has been told by others "...that the volume of statewide political abuse I've received is virtually without precedent..."

Professor Natelson's successful efforts to block tax increases may demonstrate the political appeal of his position, but whether the "scholarly" case he offers in the Janus article as a rationale for his position on Montana tax policy is valid is open to question. While he is entitled to state his case, it is equally imperative that the flaws in his reasoning in support of his position be explored. What follows is both a critique of his position and an assessment of the consequences of following the path that he has proposed for Montana.

One difficulty with Natelson's scholarly approach is that he has provided little or no documentation of sources. He alludes to studies by economists and findings of other researchers but fails to identify his sources. Remembering that his article was written for a faculty publication at the University of Montana, one expects some documentation, but we are left to accept on faith his statements in support of a problematical thesis.

Professor Natelson applauds the "upbeat, entrepreneurial spirit" that he encountered in Colorado and Utah, two western states in which he had resided, and contrasts their economic performance with Montana's poorer economic performance. He attributes the comparatively unfavorable performance of Montana to its higher taxes. It is appropriate to examine this comparison more closely. The comparative data for the three states for the ten year period, 1981-1991, presented below, is instructive.

<u>Average Annual Growth Rate Per Capita, 1981 - 1991</u>		
<u>State</u>	<u>Personal Income</u>	<u>State Taxes</u>
Colorado	4.94 %	6.96 %
Montana	4.85 %	5.56 %
Utah	5.32 %	6.49 %

(Source - Tax Features, Tax Foundation, November, 1992, P.5)

The data presented in this table reveal that although per capita personal income did grow at a slightly faster rate in Colorado and in Utah, than in Montana, but contrary to Natelson's assumption, state taxes in both Colorado and Utah for the ten year period grew annually at a much higher rate than in Montana. It is clear from the relative performance of Montana's economy in the ten year period that it was not a case of comparative lower tax growth producing higher income growth, as the Natelson hypothesis had assumed would be the outcome. To the contrary, a much lower rate of Montana tax increase was associated with a relatively lower income growth, when compared with results in Colorado and Utah.

A further development in tax trends in the period from Fiscal Year 1992 to Fiscal Year 1993, showed that while total state tax collections for all U.S. states in the aggregate increased by an inflation-adjusted 4.9 percent, representing the largest annual increase in state tax receipts since 1985, one of the five states which ranked highest in tax growth relative to personal income growth was Colorado (contrary to Natelson's reported perception of that state). In the same period, which precedes by a year the launching of Natelson's anti-tax crusade, Montana ranked among the top five states in which personal income grew faster than state taxation increases. In this 1992-1993 period, comparative data of annual state tax growth versus personal income growth show that Colorado taxes grew at a 22.9 percent greater rate than personal income, Utah taxes grew at a 2.8 percent greater rate than personal income, while Montana taxes experienced a

minus 3.3 percent rate of growth versus personal income growth. (Tax Features, Tax Foundation, January, 1994, pp. 1,2)

In Professor Natelson's effort to support his principal hypothesis, namely that "researchers repeatedly have found statistically significant associations between particular measures of relative state tax burden and indices of subsequent comparative economic growth," he commits two errors of methodology. He fails to document the source for this statement, and, to make matters worse, he makes the equivocal assertion that "while association does not absolutely prove causation (and certainly not exclusive causation), I thought the circumstantial evidence sufficiently strong..." The unwary reader is invited to believe what is incorrect, to wit, that there are circumstances in which causality can be established by association. The causal connection, if any, between tax policy and performance of the economy, especially at the state level, where all possible variables are hard to identify, is elusive.

It is appropriate to comment briefly on considerations that are often overlooked by Montana's tax opponents, and which received little or no attention from Natelson. Montana is one of the only five American states without the sales tax. That tax accounted for 32.3 percent of all state tax collections in the U.S. in fiscal year 1993. (Tax Features, Tax Foundation, January, 1994, p. 2). Inevitably, as a consequence, Montanans pay generally higher property and income taxes than do residents of other states. Natelson ignores the inflation factor when considering the growth of tax collections. Inflation rates were especially high in the late 1970s. One may recall the Carter "misery index" of that period.

Other factors which impose constraints on this state's economy and are easily overlooked include its geographical size and remoteness from markets, its oversupply of sparsely populated counties and school districts (an aspect that supporters of reinventing government might usefully address), and a tax structure (but not the rate of taxes) which imposes substantial disincentives on business enterprises. Montana, traditionally and unavoidably, has relied on extractive industries and the production of raw materials (e.g., in agriculture and timber products) which are shipped out of state for processing elsewhere. More than a different level of taxation will be required to change that stubborn reality. The last 10-15 years have not been kind to the market for important Montana basic industries including agriculture, oil and gas, wood products, and coal mining. Declining prices in these commodities, determined by national or world markets, have adversely impacted important sources of Montana tax revenue. (Montana's Economy Trends, Bureau of Business and Economic Research, The University of Montana)

Curiously, Natelson fails to comment on the 1993 Montana Legislature's success in adopting a budget for Fiscal Years 1994 and 1995 which reduced general fund expenditures for state agencies "by \$87.2 million below what the Legislative Fiscal Analyst estimated was needed to maintain services at the current level." (Michael J. Laslovich, Paper presented at 1993 Western Political

Science Association Meeting). The Legislature's success in making cuts in the budget submitted by the Director of the Office of Budget and Program Planning is worthy of note, especially since that budget official later signed one of Natelson's petitions opposing HB671, tax legislation which was needed to balance the budget that his office had prepared and submitted earlier.

What drives the tax protest movement is unclear. Professor Natelson bases his support of the cause that launched the campaign of his Montanans for Better Government to suspend HB671, as well as place it on the November, 1994 ballot, on the alleged relation between Montana's tax policy and the performance of its economy. Many of his followers probably assume that taxes are too high. Too high in comparison to what? The weakness of Natelson's position has been exposed in the preceding analysis. Studies by others, including Stan Nicholson, have found that if adjusted for inflation Montana state and local taxes in the aggregate in constant dollars have not increased during the period reviewed in this article.

The Tax Foundation estimated that in 1993 Americans paid \$1.9 trillion in taxes to federal, state, and local governments in toto. This tax bill equals 30.65 percent of the Gross Domestic Product. The Economist has frequently reported data indicating that on a comparative basis the tax bill of Americans is the lowest of that of any of the seven major industrial nations of the world.

On what basis then does the fanatic anti-tax frenzy thrive? Wasteful government programs are often cited, but there is little agreement on which programs are wasteful and in need of curtailment. There are reports of widespread distrust of government at all levels, and national polls periodically indicate that majorities believe that the country is headed in the wrong direction. It is also possible, as Harold Lasswell, a noted political scientist, contended in Psychopathology and Politics, that people project their private frustrations on public objects.

The tax conflict in Montana is far from over. Two constitutional initiatives, CI-66 and CI-67, have been proposed recently. If adopted, they would effectively institute a form of minority rule by requiring two-thirds and, in some cases, three-fourths majorities to enact tax increases, thus making it possible for minorities to decide tax policy. Interestingly, Professor Natelson, who celebrated his success in obtaining the signatures of 22 percent of the Montana electorate, suspending HB 671, an example of minority rule, also supports both CI-66 and CI-67. (Missoulian, April 10, 1994).

The late Justice Holmes once remarked, "When I pay taxes, I buy civilization." That civilization has flourished in America under a system of representative democracy based on rule by majority. What the tax fanatics seek to establish in Montana is a new system resting on plebiscitary democracy. If they succeed, much that we prize in Montana's present system of representative democracy, and the civilization it preserves under responsible majority rule, will be imperiled.



Did you know ?

Full Time Equivalent Students (Faculty) By School and College for Selected Years

	1973-74	1983-84	1993-94
Arts and Science	4803 (243.31)	4861 (225.96)	5868 (255.32)
Business Administration	530 (25.13)	814 (33.69)	780 (32.17)
Education	965 (47.24)	835 (34.68)	735 (36.72)
Fine Arts	487 (44.00)	443 (38.83)	775 (42.07)
Forestry	274 (16.56)	260 (14.19)	354 (13.66)
Journalism	104 (7.33)	114 (6.68)	121 (9.20)
Law	231 (11.80)	265 (14.03)	273 (17.40)
Pharmacy & Allied Health	230 (16.50)	287 (22.06)	256 (21.06)
Total	7624 (411.87)	7885 (402.79)	9196 (417.60)

The university totals are not the sum of the individual entries. There are benign explanations which can be determined by examining the reports of the Office of Institutional Research, the source of these data.

Only faculty funded by appropriation are included; graduate teaching assistants, whatever the source of funding, are not included.

Peaks and Valleys in Faculty Numbers

For the years 1969-70 to the present we show shifts in faculty funded by appropriation (including student tuition). Years are listed if the number of FTE faculty is either the top of an increasing sequence or the bottom of a decreasing sequence.

Year	Total Number of FTE Faculty	FTE Students	Student:Faculty Ratio
1969-70	372.48	7157	19.2:1
1976-77	449.31	7424	16.5:1
1978-79	396.09	7376	18.6:1
1979-80	400.07	7441	18.6:1
1980-81	386.63	7696	19.9:1
1981-82	404.76	7717	19.0:1
1983-84	402.79	7885	19.6:1
1984-85	407.89	7746	19.0:1
1986-87	382.97	7503	19.6:1
1988-89	396.16	7598	19.2:1
1989-90	356.28	8168	22.9:1
1993-94	427.60	9196	21.5:1

Source: Office of Institutional Research

Anecdote in Scholarly Criticism

Jesse Bier

Literary criticism has to do with interpretation of literature, scholarship with the discovery of facts. Usually the first depends upon the second. But on occasion the reverse may be true. A convinced and sustained critical point of view can lead to facts otherwise almost totally unavailable. When this happens in literature, as it does more often in science, there is rare and great satisfaction, since what you intuit to be so may turn out to be a truth even a more striking and serendipitous than what you ever expected or hoped for. Let me illustrate.

There is a particular problem in a tale by Hawthorne, "My Kinsman, Major Molineux," one of his finest stores. A minor point in it, the name, has remained a stubborn little mystery. Why should Hawthorne have used a surname of unusual French derivation when he had all the Bradstreets, Wakefields, Holgraves, Endicotts, Cartwrights and Browns he needed? The story is about a young New Englander who leaves home to go to a provincial capital, where he will put himself at the disposition of an uncle, who is governor of the province. In other words, he leaves one father in order merely to subject himself to a substitute father. Psychoanalytical critics point out that he is filled with contrary emotions, wishing to enjoy his new-found young man's freedom but at the same time wanting the secure advantages of resubmission to parental authority. When he discovers that coincidentally his kinsman is being deposed and ridden out of town on a rail, his own pent-up resentments and hostility lead him to join the crowd in derision of the governor. Later, in a state of moral exhaustion, he thinks of returning home. But an older and wiser man, who has met him before, advises him to stay on and still make his own way in the world. Through that voice Hawthorne's own recommendation for manhood, or rather his definition of it, suggests the avoidance of excess—that is, don't be too submissive or too rebellious. This theme is perfectly consistent with the idea of adult moderation in general throughout Hawthorne's other works. Since Hawthorne's methodology was that of symbolism and since his names for his characters were frequently symbolic, I thought that the name Molineux somehow served better than usual Anglo-Saxon names to symbolize in excessiveness, that he had discovered in extremism latent in some French word or concept that eluded us.

Eventually, in quite another connection, my attention was called to a French religious sect, the Molinistes, who opposed Pascal. The details of the religious controversy were not important, only the fact that the Molinistes were the voice of moderation trying to prevail against theological extremism. Now if it turned out that Hawthorne knew anything about this period of French history, he might either have been led to the root Molin and added another French suffix, "eux," or have simply chosen the relatively rare name extant in English, thus compounding or selecting a signal name for a character who learns the lesson of mature moderation.

I made this hypothetical case in a published article. While I had been able to consult a list of Hawthorne's reading materials, checked out from the Salem library over a period of years that included the composition of the story, "My Kinsman, Major Molineux," I was never able to pinpoint sources or other incontrovertible facts supporting my view. Although there was no history of religion in Hawthorne's reading, there was a history of France; it was a rare book which, years later, I did get my hands on, but it never treated the Molinist controversy in a significant way. There was one other book, however, that kept popping up in Hawthorne's reading through the years when he was in Salem, and that was Rees' Encyclopedia. This book seemed impossible to locate. Eventually, however, I found it at the University of Virginia Library. Since the book was too precious to be transported and since I lived on the other side of the country, I took the chance of asking the librarian to xerox one page of the forty-volume set—the page hopefully entitled "Mol" on which the entry Molinistes might appear.

That, in fact, is what occurred: a long enough explanation of the Molinistes appeared on that page in the encyclopedia that Hawthorne frequently checked out during his career in Salem. Hawthorne knew French, read French history and, moreover, like his friend Melville, consulted an encyclopedia during his creative process, seeking factual bases for his symbolic technique—in this case, the Molinist allusion. I felt glad enough in having at least half-satisfied an intuition. But the page contained something else. The entry just before "Molinistes" referred to an island in the harbor of Auckland, New Zealand. That island was called—Molineux.

Hawthorne did not have to manufacture his disguise for the Molinistes; it was delivered right to his hand—or his eye—in the reference just above his main interest. Whether he was finding out for the first time anything at all about the Molinistes or was renewing or confirming some information he had already had, he discovered on the page before him the anagramic form with which to present his symbolic theme.

In any event, the convergence of all these facts—the encyclopedia itself that Hawthorne had regularly consulted, the confirmed entry on Molinistes, then the citation of "Molineux" itself—all indicated a complex of information hard to ignore or refute. Some circumstantiality, after all, is so overwhelming as to have the force of fact. (Thoreau, remember, believed there could be circumstantial evidence, "like a trout in the milk," that was irrefutable.) At any rate I felt the satisfaction, even a little of the elation, that scientists feel at more significant moments.

Hawthorne was essentially a man advocating moderation; he feared all obsession, was unnerved if not secretly terrified by passion, and consequently advocated relativism and inextremism every philosophical and psychological chance he could. This overall conception of his helped to uncover information that not only corroborated our understanding but extended our view of both his mental processes and his deep-seated belief. Scholarly fate had been late but, in its own way, spectacular. I mean, as such things go. The general lesson is simply one about maintaining confidence in any convinced intellectual view.

UM TAX SHELTERED ANNUITY OPTIONS - THE VARIABLE ACCOUNTS

(Data gathered by JANUS with the help of company representatives -- particularly of Mr. Jim Nemeth of MetLife).

In a University System of diminished perks and financial prospects, one great faculty advantage remains -- perhaps the most helpful of all. It is not dependent on Montana's generosity or the success of AFT negotiations.

The tax sheltered annuity extends, for those in higher education, the same tax advantages of the IRA to a much higher level, ordinarily 20% of compensation of \$9500. These supplementary retirement annuity investments can be in addition to IRA's and are also available for faculty on post-retirement service contracts. The TSA contribution can be used to help reduce income so as to qualify for the maximum deductible IRA.

As an employee of a college, university, private school or other non-profit organization you may arrange with your employer to divert a portion of your salary before taxes to purchase retirement annuity benefits in accordance with tax-deferral provisions in Sections 403(b) and 415 of the Code and related Treasury Regulations. It can be an advantageous way to set aside extra funds for the future, over and above those accumulating under a retirement plan.

The following are tax-sheltered annuity plans available to UM employees:

Aetna
Rose Hanes
1-800-542-0425

TIAA-CREF
Brian Gregston
1-800-842-2009

MetLife
Current Enrollees:
1-800-962-8320
New Accounts:
Jim Nemeth, 721-2080

VALIC
John Wing
543-5591

Mutual Fund Companies

Scudder
1-800-225-2470

T. Rowe Price
1-800-492-7670

The thrust of this article is now to indicate the great diversity in the mutual funds available through the six companies (see above) whose tax sheltered annuity plans are available to us through University payroll deductions. The list includes some of the most notably successful stock and bond funds available anywhere.

In the Fall 1994 issue we will publish the annualized returns for each of these variable investment accounts for the year 1994.

VARIABLE INVESTMENT ACCOUNTS

T. ROWE PRICE	TIAA/CREF	AETNA
Income Funds: <i>Stability:</i> Prime Reserve U.S. Treasury Money <i>Conservative Income:</i> Adjustable Rate U.S. Gov'L Short-Term Bond U.S. Treasury Intermediate Short-Term Global Income <i>Income:</i> GNMA New Income Spectrum Income U.S. Treasury Long-Term Global Government Bond <i>Aggressive Income:</i> High Yield International Bond	CREF MONEY MARKET CREF STOCK CREF BOND MKT. ACCT. CREF SOCIAL CHOICE H CREF GLOBAL EQUITIES	AETNA VARIABLE FUND - Growth Stock AETNA INCOME SHARES - Bond AETNA VARIABLE ENCORE - Money Market AETNA INVESTMENT ADVISERS - Managed 20TH CENTURY GROWTH - Stock SCUDDER'S MANAGED INTERNATIONAL NUEBERGER & BERMAN GROWTH - Stock CALVERT SOCIALLY RESPONSIBLE - Stock FRANKLIN GOVERNMENT SECURITIES LEXINGTON NATURAL RESOURCES
Stock Funds: <i>Conservative Growth:</i> Balanced Capital Appreciation Dividend Growth Equity Income Growth & Income Spectrum Growth Equity Index* <i>Growth:</i> Growth Stock Mid-Cap Growth New Era Small-Cap Value European Stock International Stock Japan <i>Aggressive Growth:</i> New America Growth New Horizons QTC Science & Technology International Discovery New Asia		
Not Available	From 1/1/93 to 2/28/94 High +33.1% Low +6.01%	From 1/1/93 to 2/28/94 High +34.40% Low +1.85%

*Requires a \$5,000 contribution.

VARIABLE INVESTMENT ACCOUNTS

METLIFE

MetLife Stock Index Division
 Fidelity Growth Division
 Fidelity Overseas Division
 Fidelity Equity Income Division
 Fidelity Investment Grade Bond Division
 Fidelity Asset Manager Division
 Calvert Socially Responsible Division
 Calvert-Ariel Division

From 1/1/93 to 2/28/94
 High +35.71%
 Low +5.16%

SCUDDER Investors

Short Term Bond Fund
 GNMA
 Income
 Short Term Global Income
 Global Small Company
 Japan
 International Bond
 Balanced
 Zero Coupon 2000
 Quality Growth
 Growth & Income
 Capital Growth
 International
 Global
 Development
 Gold
 Value
 Pacific Opportunities
 H Latin American Fund
 Emerging Market Bond Fund

From 1/1/93 to 2/28/94
 High +81.4%
 Low +2.54%

VALIC

Stock Index Fund
 MidCap Index Fund
 Small Cap Index Fund
 H International Equities Fund
 Social Awareness Fund
 Timed Opportunity Fund
 Capital Conservation Fund
 Government Securities Fund
 International Government Bond Fund

From 1/1/93 to 2/28/94
 High +30.68%
 Low +1.68%



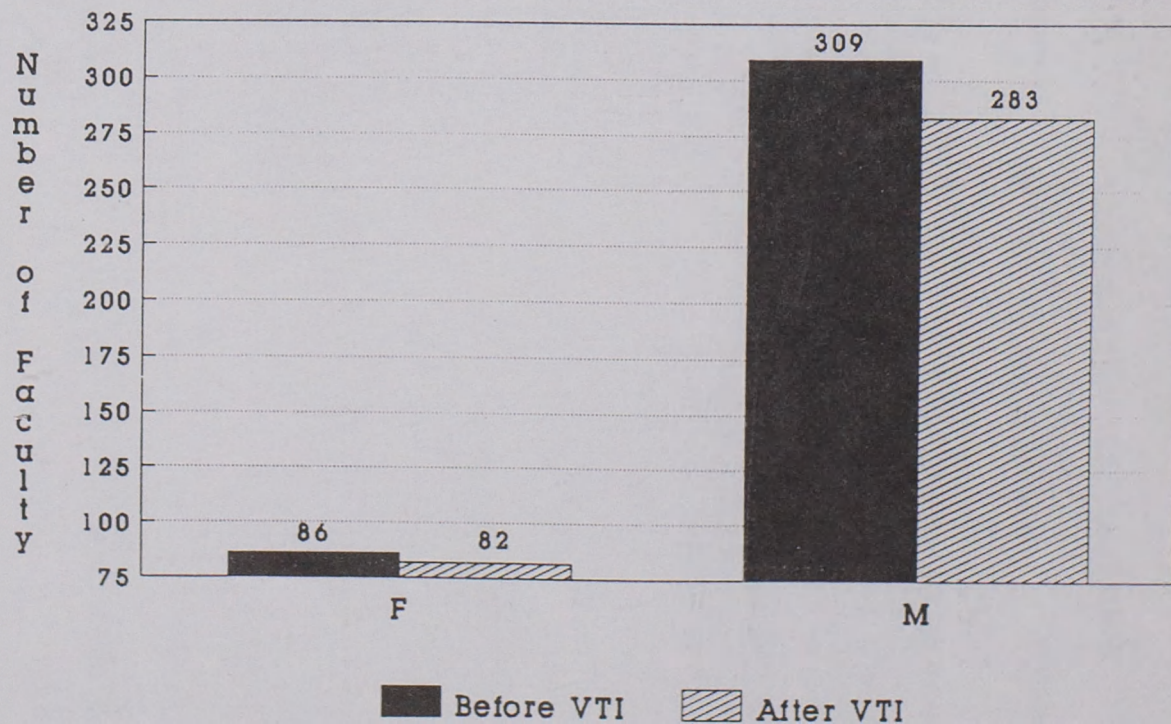
Did you know ?

Of the 395 permanent (tenured and tenure-track) full-time faculty, 86 are female and 22 are members of minorities protected by the Civil Rights Act. (Source: Institutional Research)

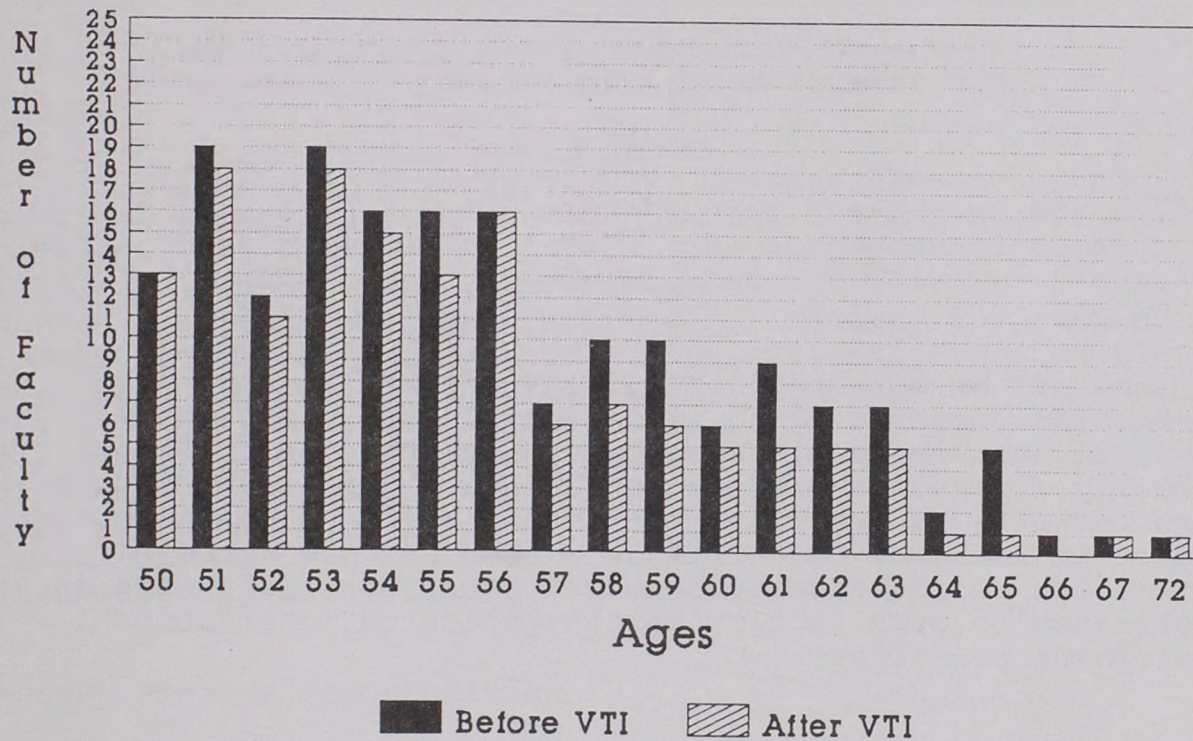
Of the 631 total faculty, 186 are female and 42 are members of protected minorities. (Source: Montana Kaimin with attribution to the Affirmative Action and Equal Opportunity Office)

VTI=Voluntary Termination Incentive

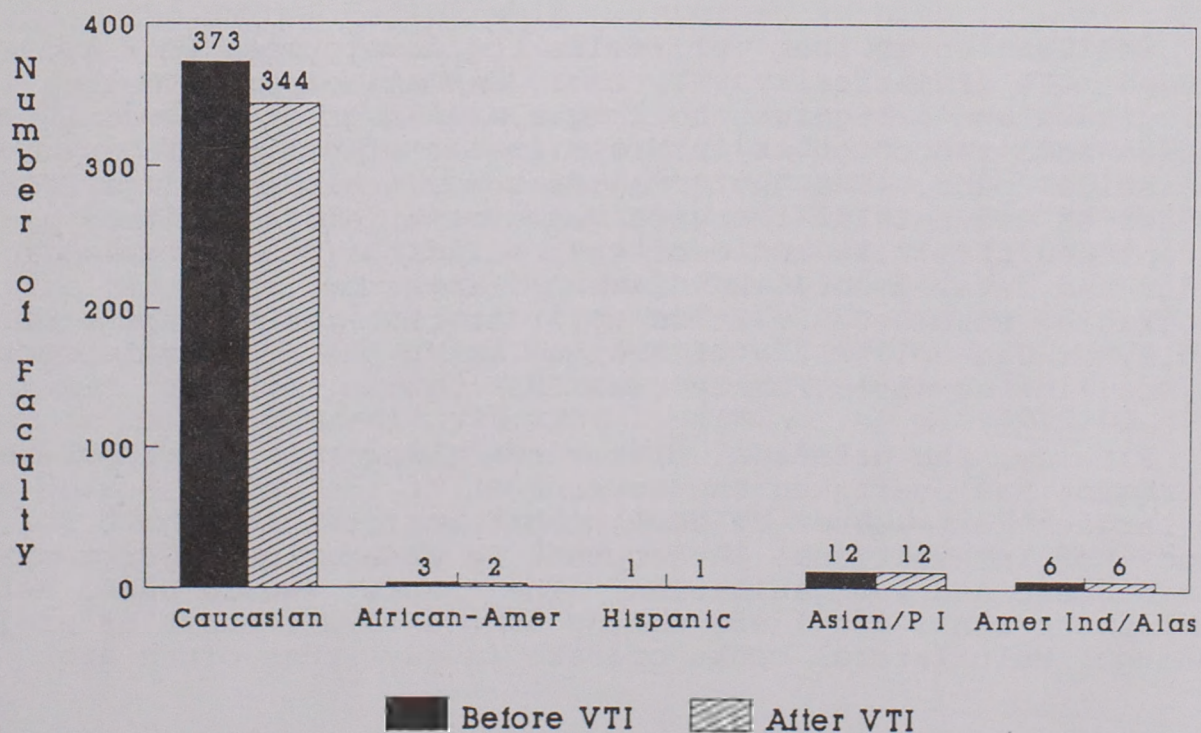
Gender Distribution In Instruction Pgm Permanent Full-Time Faculty



Age Distribution In Instruction Program Permanent Full-Time Faculty



Ethnic Distribution In Instruction Pgm Permanent Full-Time Faculty





Faculty Abroad

"International Development Opportunities
for Faculty at The University of Montana"

Peter Koehn

Introduction

One of the most effective means of promoting campus internationalization is to increase faculty, staff, and student access to overseas professional-development opportunities. The following discussion focuses on The University of Montana's recent efforts to encourage the introduction of course content from other parts of the world, the broadening of students' information and awareness base, and cross-national research and scholarship through faculty participation on international development projects.

Where are the Opportunities? Development Developments

The developing world is a dynamic categorization. It is probably easiest to locate in terms of economic-assistance flows. Net recipient countries are "in;" net aid donors are "out." Viewed from this perspective, most Third World countries are still "in." The principal definitional change in the post-Cold-War era is the expansion of the developing world to encompass Russia and the Newly Independent States (NIS).

The line-up of the "in" *fields* for development work has changed more dramatically. To their dismay, experts on agriculture and irrigation no longer are in great demand. There is even some reduction of interest in the economist of aggregate-statistical bent. The "hot" fields today include environmental protection and natural-resource management, small-business entrepreneurship, law and democracy building, public health, gender and development, and distance education. This is encouraging news because it is apparent that the strengths of the faculty at The University of Montana match the new development-project line up more closely than the old one.

Finally, the principal *donors* are changing. The Japanese government has overtaken the government of the United States as the largest contributor of development assistance. The U.S. Agency for International Development is undergoing major retrenchment and reorganization. The "banks" (World Bank, Asian Development Bank, etc.) are taking over a larger share of project funding. Multilateral banks operate in ways that often are

perplexing to academic researchers.

Options and Opportunities

University of Montana faculty members have accepted externally generated assignments in the developing world in the past and will continue to pursue such arrangements on an individual basis. What is new is that the University currently offers **institutional** opportunities for faculty involvement in international development. The institutional opportunities available to faculty can best be distinguished by the monetary scale of the projects. Large-scale projects typically involve multi-million dollar budgets, require highly specialized expertise, and can be especially complex to administer. Modest projects tend to be initiated and managed locally, although they frequently involve linkages with one or more higher-education institutions in the United States and abroad.

Modest Project Opportunities

An example of a relatively modest project is the partnership in natural-resource management between The University of Montana and The University College of Belize (UCB) funded for five years by a grant from the United States Agency for International Development under its innovative and competitive University Development Linkages Program (UDLP). At this mid-way point in the UDLP grant period, nearly a dozen University of Montana faculty (and a number of administrative staff members) have participated in exchanges, conducted collaborative research, engaged in consultancy activity, and/or offered training courses under the UM/UCB partnership. Interest is high in the remaining slots. By 1996, faculty in forestry, geology, biological sciences, social sciences, environmental studies, and education will have gained valuable experience related to resource management in Central America and introduced new information and insights regarding sustainable development in the tropics into the courses available to University of Montana undergraduate and graduate students. The University also has strengthened its ties with the Lewis and Clark National Forest of the U.S. Forest Service, a collaborator on the UDLP project and sponsor of its own innovative "International Partner Forest" arrangement with a forest in Belize. And, sponsors are recognizing The University of Montana's academic programs by sending us outstanding students in fields of study related to this project.

The University currently is pursuing additional opportunities for faculty involvement in relatively modest

of performance principally on agricultural and irrigation projects in the Middle East and Africa. The Executive Office of the Consortium for International Development currently is situated in Tucson. Its membership in 1990 consisted of 11 western public universities: Arizona, California State Polytechnic in Pomona, Colorado State, Hawaii, Idaho, New Mexico State, Oregon State, Texas Tech, Utah State, Washington State, and Wyoming. At that time, CID had begun an active process of seeking to diversify its project portfolio in terms of subject matter and geographical location.

In July 1993, following eighteen months of affiliate status, the CID Board of Trustees cast a near-unanimous vote in favor of admitting The University of Montana as the twelfth member of the Consortium for International Development. In taking this action, trustees certainly considered the changing direction of international development work, the relevant expertise possessed by our faculty, and the close ties that President Dennison has maintained with CID since he served as one of Colorado State University's principal contact officers in the late 1970s.

Relations within a consortium are both cooperative and competitive. With considerable assistance in the project-identification and proposal-writing stages from the Executive Office, the twelve member universities in CID work together to prepare winning proposals. Most large-scale development projects involve a mix of long-term resident experts (including the chief of party) and short-term experts. The qualifications and experience possessed by the staff proposed for each identified assignment often are decisive in the eyes of the funding agency. Moreover, these posts typically attract considerable faculty interest due to the professional challenges and rewards involved, as well as market rates of remuneration which tend to be considerably more generous than faculty salaries. As a result, competition usually is stiff for positions identified at the request-for-proposal (RFP) stage. Knowledge that only one of the twelve universities will be able to "lead" or manage each project (and receive the lion's share of disbursed indirect costs in the event that CID wins the project) introduces an additional competitive dynamic.

As a full member of CID, The University of Montana now is in a position to participate as a "lead-institution" as well as in a support capacity. The outcome is primarily a function of the extent of expertise and interest among available faculty. When a core group of committed faculty with expertise in the project area is in place, the University can bid to be the lead institution on a large-scale development project. If selected as the lead, we can count on other CID member institutions to fill out the required positions with expert professionals. This enables a core group of interested faculty from this University

to be competitive on large-scale projects without having to fill every position from within our own ranks.

In the immediate future, it is more realistic to envision University of Montana faculty operating in a support capacity on CID projects led by one of the other member universities or by a firm with which CID has subcontracted. The opportunities in this regard are vast and diverse, from GIS specialists on the Senegal Natural-Resources-Based Agricultural Research Project to specialists on academic and management implementation on the Indonesian Higher Education Project, to cite only two of the many recent prospects for which CID has invited us to submit names.

Interested faculty need to be aware that CID generally solicits nominees for available long-term and short-term slots at two key decision points: the RFP stage and the final staffing stage (if an opening exists or a new position has been identified). Frequently, more than one expert is listed at the RFP stage. Certainly, the chance of being selected for an assignment on a CID project is reduced if one is not named in the proposal sent forward to the donor. There is considerable competition for most available positions on CID's international development projects. The decision on which names to send forward is made by the lead university manager together with CID's executive director and the regional director. In the international development "business," overseas experience, particularly in the project country, often is decisive. This is why the kinds of locally managed projects discussed above are important in preparing faculty to compete for assignments on consortium undertakings.

Inter-campus faculty networks provide another vehicle for access to CID assignments. CID has established six such networks for the purpose of initiating, reviewing, and advising with respect to potential project opportunities. Involvement in a faculty network often gives the participant advance notice of a potential assignment of interest to oneself or to a colleague possessing the skills required. The University of Montana now has representation on all of the faculty networks established by CID. The representatives are: Steve McCool (Forestry and Natural Resources), Jill Belsky (Women and International Development), Jim Cox (Education), Carolyn Campbell (Health), Sharon Alexander (Training Advisory Group), and Nader Shooshtari (Business Management).

In an effort to encourage a proactive role for the lead university in the development of winning proposals, the CID Board of Trustees voted in 1993 to set aside funds to support participation by key faculty and departments in proposal preparation. Each member campus can apply for incremental grants of up to \$15,000 to facilitate tracking of projects through the design and

approval process, winning a place on short lists developed by host-government officials, and the production of high-quality, successful projects. These funds can be used to buy "time" for proposal writing by knowledgeable faculty or to support travel for purposes related to the preparation of a successful proposal.

Except for the rare case when one is involved early on in negotiations with the donor, project-proposal announcements and project-assignment opportunities tend to arrive with short notice. This primarily is due to the limited notice given in most RFPs rather than to processing delays. The result is that by the time notice arrives at The University of Montana, there typically is less than one month to respond; two weeks or even less is not uncommon. The Research Administration Office has implemented measures designed to expedite the on-campus process of information dissemination and reporting back to CID. In consultation with the Director of International Programs and the data base built upon OIP's inventory of faculty and staff with international development qualifications, Judy Fredenberg immediately notifies potentially interested faculty via a form that describes the project, the positions available, and the deadlines. For interested and qualified faculty, the key to success in being named in a CID proposal is quick turnaround. In order to ensure one's availability, the first step is to secure the approval of one's Dean. The next step is to notify Judy Fredenberg in Research Administration of one's interest and availability. Having the standard USAID contractor biodata form completed in advance and an updated two-page resume available can make the difference between inclusion in a CID proposal and exclusion on technical grounds. At present, University of Montana faculty are well-positioned for assignments on two CID projects: the Rajasthan (India) Agricultural University Project (World Bank funded) and the Ukraine Environmental Policy and Technology Project (USAID).

International Development and the State of Montana

The campus benefits of faculty participation in international development projects are easy to identify. First and foremost, the experience will enhance teaching and expand the curriculum. New lines of scholarly inquiry and additional consultancy opportunities are likely to open up. Outstanding candidates for graduate study will be attracted to study here. Stimulating and rewarding options are available for retirees and partial retirees. And, faculty who work on CID projects will be compensated at market rates that are pegged to international instead of Montana standards.

There also are important benefits that accrue to the State

of Montana from faculty participation in international development work. Too often, we undervalue these societal outcomes. In the long run, the University will build a base of professionals with skills honed in tackling the challenges faced by developing countries that can be applied to similar problems in our own State. From ecotourism and parks management to AIDS prevention and protecting the health of vulnerable populations, there are lessons to be learned and contacts to be nurtured through participation in international development activity that returning faculty will apply to help enhance the quality of life of Montanans. In the January, 1994 (v.2, vol. 4) issue of the National Conference of State Legislatures' LEGISBRIEFS, Larry Morandi notes that some of our 50 states are showing increasing interest in sustainable development (a central concern in international project work for some time), which he defines as "a concept designed to ensure that the resources necessary for an economy to grow are not destroyed or depleted by economic development." Morandi reports that "states are beginning to reassess their environmental and energy policymaking processes to ensure that sustainable development is a motivating factor and not just an end product." Finally, project experience overseas will become increasingly valued as we sharpen our awareness that domestic problems are irresolvable outside of their global context.



TWISTED TITLES: II

Our readers accepted the implicit challenge of the last issue and produced the following:

From Mavis Lorenz

"A Fiver Runs Through It" (A story of gambler's luck.)
"The Last Best Glacé" (No more smoothies available.)

From Al Stone

"Montanans for Bitter Government" (Medicaid recipient's opinion about the recent petition organization.)

From Jim Cox

"Janis" (Feminist professor seizes editorial control from some old white males.)

FACULTY BENEFITS - THEN AND NOW
Fred A. Henningsen

A la my good friend, Jim Cox, JANUS colleagues have been after me for some time now to write a piece on faculty benefits- presumably because of my long tenure with the various committees involved.

I first became involved in faculty benefit matters during 1951 when President Carl McFarland appointed me chairman of a committee then named "The Faculty Benefits, Insurance and Related Matters Committee". The other members of the committee were Drs. Tom Payne, Lud Browman, John Swackhamer and Ted Shoemaker. Unfortunately I now have only Tom Payne available to consult with about actions that were taken over the years by this committee. The account that follows comes almost exclusively from our recollections of what transpired. However, I take full credit for any errors of omission or commission.

In 1951 just about the only benefit provided faculty by the University of Montana, aside from the privilege of working with a dedicated, high caliber faculty and a quality of life much enhanced by the university's setting in western Montana, was a totally inadequate pension plan. Bear in mind that faculty salaries then, as now, were relatively low. Faculty were required to contribute 4% of salary up to a maximum of \$200 per year to the Montana Teachers Retirement System (TRS). The university paid in a slightly smaller matching amount. Other university employees had a somewhat better plan with the Montana Public Employees Retirement System (PERS).

To illustrate the inadequacy of the TRS pension in 1951 one has only to cite its "benefits": 1. The maximum portion of faculty salary subject to payment into the system by faculty or university was \$5,000. 2. The maximum benefit available was \$2,500 per year (just over \$200 per month) and that only after 35 years of service. 3. Members had no vested rights until after 10 years of service. 4. If a member left the state and withdrew contributions, the member received only what he or she had paid in without interest. In part, the inadequacy of this plan stemmed from the fact that the TRS was initially set up by the state for elementary and secondary school teachers, whose salaries then (late 1930's) were even lower relatively than university salaries. The university system was, in effect, "grandfathered" into the public school teachers' plan.

All members of our committee agreed that this was a deplorable situation and we brought it to the attention of administrators (who were well aware of it) and legislators systematically over the years, eventually with rather good results. For example, successive legislatures gradually increased the portion of faculty salaries subject to contributions until in the 1960s the ceiling was removed entirely. Also during those years the percentage of salary paid as the university's contribution to TRS increased to become slightly higher than that paid by faculty, while both were increasing from about 4% to about 7%. Other changes over the years included a substantial reduction

in the formula used to determine benefits at retirement. Initially it was: Years of Service/70. It now is: Years of Service/60. Initially then, the maximum retirement possible was 35/70 times the average of the three highest consecutive salaries or \$5,000 whichever was smaller. Currently, the maximum possible is found by: years of service/60 times the average of the three highest consecutive salaries-generally a much larger benefit. Also changed was the vesting period from ten years to five years and interest is now paid on members' deposits if they withdraw from the system.

So much for the retirement benefit which is good now but was totally inadequate in the 1950s. The benefits committee also worked on some other ideas that eventually proved beneficial. Probably the first of these came when the committee agreed to an interview with a member of the Montana Credit Unions League. After hearing his "pitch" and discussing the matter thoroughly, the committee decided, on the spot as it were, to form the U of M Federal Credit Union. Seven charter members were required so we called in the school janitor, Bill Blomgren, and Johna Henningsen, my wife, to makeup the number needed. For the first three years of its existence I was the treasurer and kept all the books in one drawer of my desk. Upon leaving the university for a teaching position in Karachi, Pakkistan in 1957 I prevailed upon Cal Murphy to be treasurer. In the 1960s the credit union purchased a house at 800 E. Beckwith Avenue and later built the building that now houses the Aldo Fort Forestry Research Institute. During the 1980s the credit union merged with other Missoula credit unions to become the Missoula Federal Credit Union and it is now the largest by far of area credit unions with assets in excess of \$80,000,000 and 30,000 members who are served by 85 employees. It always gives Tom and me a bit of pleasure to see the look on the face of a teller when we give them our account number (his is seven and mine is one). Without doubt, the decision to found a credit union was one of the best things the committee did.

During 1954, President McFarland called on the committee to become involved in the effort to get legislation passed in the state legislature making possible Social Security benefits available for school teachers, ministers and others not then covered. A major problem was opposition by teacher groups who either didn't understand the magnitude of the benefits offered or were reluctant to see yet another deduction from their paychecks. The committee decided to seek meetings with as many teacher groups as possible to discuss the pros and cons of the proposed legislation. This was done and dozens of meetings were attended statewide. Whether this or other measures helped ensure passage of the legislation is moot but, in any case, the legislation passed. This legislation significantly improved the retirement standards of all teachers. Sadly, many people still do not understand the full range of benefits provided by the social security system.

The committee also dealt with the need to obtain some sort of group health insurance. Until legislation was passed in 1967, the only insurers willing to underwrite university system employees were Blue Cross and Blue Shield. Other insurers required a minimum enrolment of 75% of full time employees to put their plans in effect. Lacking an employer contribution it was not possible to achieve that level of participation. In effect it was a no choice situation. Then, in 1967, the legislature passed a bill providing a mandatory employer contribution of \$7.50 per month for all full time (50% or more) state employees to be used for the purchase of group insurance benefits. That made it feasible for each unit of the university system to design a group insurance plan and let it out for bids. However, a wise decision was made to involve committees at all of the campuses and the commissioners office in designing and bidding a group insurance plan for the entire university system. Thus was born the University System Benefits Committee which is still in existence.

The original plan designed by this committee is still basically in place although it has been modified from time to time to meet changing circumstances. The plan that was put out for bids provided each university full time employee: Major Medical Insurance; Life Insurance and Long-term Disability Insurance with the major medical portion of the plan available to employee dependents by payment of an employee contribution.

A large number of companies responded and the successful bidder turned out to be The Equitable Life Insurance Company, which, after one year experience, sought a 1/3 increase in premiums. The committee considered the increase excessive and again went out for bids. The successful bidder was a Mutual of Omaha company, United of Omaha. That company still administers the plan at this writing.

Successive legislatures have increased the employer contribution-usually by \$20 per month. It now amounts to \$210 per month and will be \$230 per month as of July 1, 1994. Given the double digit medical inflation of the past twenty years it is not surprising that this amount is barely sufficient to meet the plan's needs despite a number of cost containment measures that the committee has put in place.

One of the significant developments in recent years was the shift from a fully insured plan (by United of Omaha) to one in which only the life insurance and long-term disability insurance are fully insured. The major medical part of the plan is now almost totally self-insured and every attempt is made to inform members that they are spending their own money when medical expenses are incurred. The change to self-insurance was made possible by the gradual buildup of a reserve big enough to carry the plan from year to year and by the size of its membership which is approaching 7,000 members, not counting dependents. The plan now takes in and spends upwards of one million dollars per month and currently is living within its means.

Another faculty benefit became possible when the 1965 legislature enacted legislation making possible the purchase of tax sheltered annuities. At this university the benefits committee went through an elaborate bidding process to select companies which would be allowed to market annuities on campus. Then Financial Vice President Pantzer played a key role in this process. Four companies were finally selected. They were The Teachers Retirement System, Standard Insurance of Portland, Equitable Life Insurance Company and Teachers Insurance and Annuity Company. Others could have been chosen but at the time it was beyond the capability of the accounting system to handle more than four-or so we were told. Over the years since these annuities became available the benefits committee issued many memoranda urging even the smallest monthly contribution as desirable-especially for younger faculty. Many older faculty subscribed for the maximum amount allowed by the law. No one has ever been sorry about participating. In my own case participation in tax sheltered annuities (I selected TIAA) has increased retirement income by more than a third.

By way of summing up: "Then" the faculty benefits package was at best laughable and could hardly have been worse. "Now" a veritable smorgasborg of benefits exists:

1. A greatly enhanced TRS benefit which for the dollars put in is probably as good as there is anywhere for those teachers who stay in Montana until retirement.
2. An optional retirement plan (ORP) is now available for those faculty who desire "portability". Under this option, the faculty may elect to make their contributions to TIAA with most, but not all, of the university contribution going there also. TIAA benefits vest immediately, which means that any contributions made by the university vest in the employee and there is therefore no penalty for leaving Montana to teach elsewhere. This particular change was engineered by the Commissioner's Office and the Council of Presidents in part because of the difficulty of attracting and retaining administrators who typically tend to move on after a few years. It was, however, endorsed by the University System Benefits Committee.
3. A thriving credit union.
4. Tax sheltered annuities.
5. A first class major medical/hospital plan which adequately protects employees against even the most catastrophic illnesses. I have yet to talk with anyone who has had serious health problems who is not delighted with the coverage afforded by the plan. Of course most people only find out how valuable it is when they have some sort of major health problem.
6. Group life insurance available in rather large amounts on a voluntary basis with \$10,000 mandatory under the basic plan.
7. Long term disability insurance-little changed from its inception.

Treatment Of Older Employees: Does U. M. Have A Problem

A guest editorial with the above title appeared in the CAMPUS NEWSLETTER on March 8, 1993. As a follow up, older employees (55 years and older) and retirees propose to meet in the near future and discuss the various issues that affect them. A survey questionnaire will be prepared from the issues raised at this meeting and will be distributed to older employees and retirees. The results of this survey will be analyzed and published in a forthcoming issue of the JANUS. An announcement of the upcoming meeting will be sent to older employees and retirees.

HAROLD DUANE HAMPTON

HISTORY