

THE AUSTRALIA INSTITUTE

University Capture

Australian universities and the fossil fuel industries

Clive Hamilton and Christian Downie

The Australia Institute

Discussion Paper Number 95

June 2007

ISSN 1322-5421

© The Australia Institute

This work is copyright. It may be reproduced in whole or in part for study or training purposes only with the written permission of the Australia Institute. Such use must not be for the purposes of sale or commercial exploitation. Subject to the *Copyright Act* 1968, reproduction, storage in a retrieval system or transmission in any form by any means of any part of the work other than for the purposes above is not permitted without written permission. Requests and inquiries should be directed to The Australia Institute.

Table of Contents

Table of Contents	iii
Tables and Figures	iv
Acknowledgments	v
Summary	vi
1. Introduction	1
1.1 Commercialisation of universities	1
1.2 Academic freedom	2
1.3 University capture	3
2. Involvement of fossil fuel companies in Australian universities	7
2.1 Fossil fuel industry associations	7
2.2 Fossil fuel companies	9
3. Three case studies	15
3.1 Introduction	15
3.2 The University of Queensland	15
3.3 The University of Western Australia	19
3.4 Curtin University of Technology	22
4. Conclusions	27
References	29

Tables and Figures

Table 1	Some examples of the revolving door between the fossil fuel industries and university governance	10
Table 2	Some fossil fuel sponsored academic positions at Australia universities	12
Figure 1	ACARP funding for research, in millions, 2000-2006	8

Acknowledgments

The authors would like to thank Professor Stuart Macintyre and Professor Simon Marginson for refereeing this paper. This paper has benefited from their comments and insights. The authors would also like to thank those academics who provided information, both on and off the record, without which this paper would not have been possible. Notwithstanding their input, the opinions expressed and conclusions drawn remain the responsibility of the authors.

Summary

In recent years, universities have been at the centre of a vigorous debate about the role of higher education in society. In particular, concerns have been raised about the effects of commercialisation of Australian universities on academic freedom and the quality of teaching.

This paper explores the increasingly close relationships between Australian universities and the fossil fuel industries. In addition to an overview of the links, there are three case studies - the University of Queensland, the University of Western Australia and Curtin University of Technology. It asks whether fossil fuel companies are gaining an inappropriate level of influence over the teaching and research priorities of universities. Is academic freedom jeopardised? Are the relationships with the industry threatening to bring universities into disrepute? Are universities being captured?

Commercialisation of universities

Since the 1980s, successive federal governments have introduced reforms to make Australian universities more financially independent and more commercially oriented in their teaching and research. In 2001, a Senate Inquiry into Australian universities argued that in response to government policies promoting commercialisation, public universities in Australia have been ‘pulling away from traditional academic orientations’ and pushing towards stronger market influences’ to become ‘entrepreneurial’ universities. It noted that universities are entering into contracts with businesses that ‘explicitly or implicitly restrict the rights of academics to undertake teaching and research without interference’. A survey of social science academics in the same year showed that many academics believe academic freedom is under threat due to commercialisation.

These concerns have been heightened by individual cases at Australian universities. In 2005 the University of Sydney succumbed to demands from Macquarie Bank to dissociate the University from an academic who released research critical of the Bank. In the same year, the administration at Curtin University expressed its displeasure when a professor at the university spoke publicly about Alcoa’s funding of the Alcoa Research Centre For Stronger Communities at the University, at the same time as the company was being criticised in the media over pollution from one of its plants damaging the health of a local community.

Universities and the fossil fuel industries

In 2003, the New Economics Foundation released a report which argued that many of Britain’s top universities ‘could be brought into disrepute’ by ‘walking hand-in-hand’ with fossil fuel companies. The report argued that:

In return for corporate sponsorship and contracts, universities are encouraging oil companies to steer the research agenda, tailoring courses to meet corporate personnel demands and awarding high profile positions to oil executives.

In Australia over the last decade the fossil fuel industries have become steadily more involved in Australian universities. Fossil fuel industry associations and fossil fuel companies have spent millions of dollars funding research projects and sponsoring university chairs, academic posts and even entire schools. The Australian Coal Association Research Program, for example, has allocated \$145 million to 929 different projects since 1992.

Likewise in 1999, the Minerals Council of Australia (MCA) set up the Minerals Tertiary Education Council (MTEC) with \$15 million to achieve ‘cultural change in universities’. It sponsors 12 lectureships and contributes to the development of course materials at several universities. A 2003 review of MTEC by the MCA found that some lecturers:

[a]re proving to be effective change agents by innovating, networking, collaborating, developing new programs, relating students, linking to industry and working outside traditional university frameworks.

Three case studies

The extent of the close relationships between Australian universities and the fossil fuel industries is evident through a few examples from the University of Queensland, the University of Western Australia and Curtin University of Technology.

In the School of Engineering at the University of Queensland for instance, there is the Xstrata Chair of Metallurgical Engineering, the BHP Billiton Mitsubishi Alliance Chair of Mining Engineering, the BHP Billiton Mitsubishi Alliance Chair of Minerals Processing and the Chair of Mining Safety founded by Rio Tinto and other fossil fuel companies. Many of these chairs are used by the fossil fuel companies to ‘oversee and guide’ the degree structures and course materials. Moreover, it is largely the same companies which fund some of the research projects undertaken in the School and its associated research centres.

In Western Australia, relationships between universities and the fossil fuel industries are dominated by oil and gas companies. Both the Chancellor of the University of Western Australia and the Chancellor of Curtin University are current directors of major oil and gas companies, Woodside and Coogee Resources. In fact, Woodside is a major sponsor of the School of Oil and Gas Engineering at the University of Western Australia. It contributed to the establishment of the School in 2000 with a \$1 million grant and it has provided almost \$2 million to help create the North West Shelf Venture Chair of Oil and Gas Engineering and the Chair of Oil and Gas Engineering in the School. Woodside personnel sit on the University advisory boards, committees and many have participated in the School’s teaching and research programs.

Woodside is also prominent at Curtin University. Curtin is home to the Woodside Hydrocarbon Research Facility and the Chair of Hydrocarbon Research both funded by the company. It is also the location for the Western Australian Energy Research Alliance, a joint venture funded in part by Woodside and Chevron Texaco, and the Centre of Excellence in Cleaner Production supported by Wesfarmers. Woodside’s funding of the Hydrocarbon Research Facility was criticised in 2005 after it was revealed in the press that the University made a \$20,000 donation to the Kurdistan Regional Government in Iraq on behalf of Woodside.

Academic freedom

Are the links between universities and the fossil fuel industries a threat to academic freedom? In the case of teaching the concern is that industry needs for flexible and industry relevant degrees and courses, particularly in university accredited award courses, will lead to curriculums increasingly tailored to the short-term needs of industry, which may narrow the education received by students. Further industry participation in teaching programs could compromise the independence of the course approval process by the relevant academic board or committee. For example, evidence from the University of Western Australia indicates that fossil fuel sponsors ‘approved the rationale for restructure’ of the undergraduate program at the School of Oil and Gas Engineering. In 2005, the School estimated that about 70 industry representatives had been involved in the development, coordination and teaching of oil and gas units at an estimated cost of \$600,000 to industry per year.

One of the roles of university lecturers and researchers in mining and engineering schools is to use their expertise to assess and comment on the practices of industry. The concern is that academics may refrain from making critical remarks to their students, governments or the public about the practices of companies or industries with which they or their university have a financial association.

In the case of research, the primary concern is that short-term applied research in the private interest could crowd out basic research in the public interest. Basic research is important because it provides the foundation for scientific advancement and training and acts as the body of scientific knowledge that underpins more applied research.

However, a number of the schools and centres with ties to the fossil fuel industry are heavily geared towards short-term research for the sponsoring industry or company. For example, the Sustainable Minerals Institute at the University of Queensland states that its business ‘is research for, and in the closest possible association with, the minerals industry’. As far back as 1996, a researcher at another centre at the University of Queensland claimed that ‘part of the attraction for the companies is that they have a very big say on how we conduct our research’.

The evidence presented in this paper indicates that there are grounds for concern that universities could be captured and that academic freedom could be compromised as commercial interests penetrate decision-making in universities. It is argued that universities should have structures that keep them and the activities of their staff transparent and accountable. These could include a registry of interests where universities disclose all relevant interests and contacts with industry. In addition, universities need to have in place clear ethical guidelines to insulate them and their staff from the commercial pressures and conflicts that can arise from relationships with industry.

Without such structures and with the increasingly close relationships between Australian universities and the fossil fuel industries, it is likely academic freedom will be jeopardised, if it has not been already. As this happens universities could become captured by the interests of the fossil fuel industries and brought into disrepute.