Amercian universities and colleges have long been engaged with the institutions of the wider society, to their mutual benefit. Universities have trained ministers, teachers, corporate leaders, and public servants, and have taken on wider responsibilities in research and administration for state and federal governments. The years after World War II brought both quantitative and qualitative change in this relationship as a result of the world responsibilities assumed by the United States and of the strikingly new importance attained by science. This change was symbolized and advanced by an immense increase in federal and state funding for higher education and in investment by private foundations. Now, as universities enter an era of more stringent budgetary limitations, yet another major shift seems certain—to greater reliance on private funding and to a closer symbiosis between universities and industry.

The many opportunities offered to both university researchers and the private sector by sweeping developments in certain areas of science and technology have led to new concerns in both universities and government. One such concern, about freedom to do research and to publish the results, has rightly exercised universities in deliberations about whether or not to undertake such joint efforts and on what terms. More recently, the question of conflict of interest has been raised anew, with regard to the pressures that financial interests of faculty members participating in extra-university enterprises may exert, consciously or not, on the design and the outcome of the research.

The American Association of University Professors has addressed these questions in the past, and we believe it important to reaffirm the 1965 joint statement of the AAUP and the American Council on Education, On Preventing Conflicts of Interest in Government-Sponsored Research at Universities, and to commend the 1983 report of an Association subcommittee on Corporate Funding of Academic Research. The latter report, avowedly tentative and anticipating a fuller statement at a later time, properly assumed that the initiative must lie with university faculties for drawing up such conflict-of-interest guidelines as are appropriate to each campus, with due regard for the proper disclosure of a faculty member's involvement in off-campus enterprises, in terms of investment, ownership, or consultative status; for the use of university personnel, including students; and for the disposition of potential profits.

Recent developments have suggested the following considerations to be taken into account by faculties involved in developing or revising such guidelines.

Government draft proposals for policing possible conflicts of interest have been overwhelmingly rejected by the academic community as involving a massive, unneeded enlargement of the government's role on the campus. Faculties must be careful, however, to ensure that they do not defensively propose a similar bureaucratic burden differing only in the locus of administration. Any requirements for disclosure of potential conflicts of interest should be carefully focused on legitimate areas of concern and not improperly interfere with the privacy rights of faculty members and their families.

Because the central business of the university remains teaching and research unfettered by extra-university dictates, faculties should ensure that any cooperative venture between members
of the faculty and outside agencies, whether public or private, respects the primacy of the university’s principal mission, with regard to the choice of subjects of research and the reaching and publication of results.

Faculties should make certain that the pursuit of such joint ventures does not become an end in itself and so introduce distortions into traditional university understandings and arrangements. Private and public agencies have a direct interest in only a few fields of research and in only certain questions within those fields. Accordingly, external interests should not be allowed to shift the balance of academic priorities in a university without thorough debate about the consequences and without the considered judgment of appropriate faculty bodies. So, too, care must be taken to avoid contravening a commitment to fairness by widening disparities—in teaching loads, student supervision, or budgetary allocation—between departments engaged in such outside activity and those not less central to the nature of a university, which have, or can have, no such engagement.

The ability to procure private or government funding may in certain circumstances be an appropriate consideration in making judgments about salaries, tenure, and promotion, but it must be kept in proper proportion and be consistent with criteria established by the faculty. Guidelines concerning intra-university research support should guard against making its availability dependent, solely or predominantly, on the likelihood that the research so supported will result in obtaining outside funding.