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At UNC, a drift toward University of Inc.

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When Margaret Spellings begins work Tuesday as the new president of the University of North Carolina system, some fear she will bring corporate interests into the university. But the real question is whether she will be able and willing to push them out.

Spellings' background as a former secretary of education under President George W. Bush and a former board member for Apollo Education Group, the parent company of the for-profit University of Phoenix, naturally raises concerns that she will welcome corporations and corporate-backed advocacy groups eager to promote their agendas. If she does, she will hardly be the first to do so.

The "corporatizing" of higher education has been underway for years. But until recently, the corporate incursion has been confined largely to revenue sports and administrative kingdom building. Now it's seeping into the soul of the university and affecting the selection of faculty and the content of the curriculum.

Whether Spellings encourages or tries to turn back this trend may determine whether she succeeds or fails. If she takes the corporate money and loses the system's faculty, she will be embroiled in dissent and controversy. If she stands up for academic freedom and faculty control of the curriculum, she may disappoint her political sponsors, but will gain stature as a leader who protected the university's integrity and served its mission in a time of financial and political stress.

For a sense of the pressures to come at UNC's 17 campuses, consider the controversy at Western Carolina University in Cullowhee. The university is split over the establishment of the Capital Center for the Study of Free Enterprise. The proposed center is to be funded by a \$2 million grant from the conservative Charles Koch Foundation.

Faculty members oppose the center as an effort by a corporate titan to dictate what will – and won't – be taught in certain business courses. WCU's chancellor, provost and board of trustees – seeing a chance for new funding in a time of shrinking state support – overruled the faculty and approved the center.

In a statement, the WCU Faculty Senate said: "The Charles Koch Foundation has previously set forth explicit expectations in line with their political views in exchange for monetary gifts to universities, thereby constraining academic freedom by influencing and interfering with the development of new knowledge."

The conservative John William Pope Center for Higher Education Policy then added to the academic chilling effect by requesting all emails relating to the center sent by faculty members who opposed it.

In a shrewd response, one of the targeted faculty members, English professor Laura Wright, posted all the requested emails on her blog. Wright told The News & Observer's Jane Stancill that she acted so the public could read all the emails in context rather than a narrowly edited version that the Pope Center might release.

The Raleigh-based Pope Center is headed by Art Pope, the funder of North Carolina conservative causes and a libertarian brother-in-arms with Charles Koch and his brother David. The center has long had an interest in breaking up what it sees as a liberal cabal that dominates North Carolina's public universities. The Pope perspective is shared by conservatives who control the General Assembly and the UNC Board of Governors, which hired Spellings. That view fueled the Board of Governors' successful drive to eliminate three academic centers seen as serving liberal causes.

With less public support for public universities, private funding with strings attached becomes harder to resist. One of the most dramatic examples was a program pushed by former BB&T bank CEO John Allison, now head of the libertarian Cato Institute. Beginning in 2007, BB&T donated an average of \$1.1 million each to more than 60 U.S. colleges to promote study of the "moral foundations of capitalism." The agreements often required the establishment of chaired faculty positions and courses in which the libertarian novelist Ayn Rand's book "Atlas Shrugged" would be required reading.

S. Douglas Beets, a Wake Forest University professor, recently published a paper in the Journal of Academic Ethics titled "BB&T, Atlas Shrugged, and the Ethics of Corporation Influence on College Curricula." Beets said corporate incursion threatens the nature of the university itself.

"If you've got a corporation actively involved in the curriculum and involved in selecting professors, I think you've got a problem," Beets said last week. "Are you letting the highest bidder design the curriculum?"

This week, Margaret Spellings will begin answering that question. If she says yes, expect the faculty to respond with a very loud no. Then the battle will begin between what the university is and what some will pay to have it become.