
Statement on Conflicts of Interest

The statement that follows was approved for publication by the Association's Committee on Professional Ethics in June 1990 and revised by that committee in November 2013 with the endorsement of Committee A on Academic Freedom and Tenure.

American universities 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 global 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. As universities entered an era of more stringent budgetary limitations, another major shift occurred—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, business, medicine, and technology have led to new concerns in both universities and government. One such concern, about freedom to conduct research and to publish the results, has rightly exercised universities in deliberations about whether to undertake such joint efforts and, if so, on what terms. Questions of conflict of interest have focused on the pressures that financial interests of university personnel participating in extra-university enterprises might exert, consciously or not, on the design and the outcome of the research.

A conflict of interest may most easily be defined as a circumstance in which a person's primary interests and responsibilities (such as the responsibility to analyze research results as dispassionately as possible) may be compromised by a secondary interest (such as financial gain). Identifying a conflict of interest does not entail an accusation of wrongdoing. Conflicts of interest have been shown to affect judgments unconsciously, so a conflict of interest refers to a factual circumstance wherein an impartial observer

might reasonably infer that a conflict is present. Not all conflicts of interest are financial in nature, but financial conflicts of interest are not only the ones most easily managed but also the ones most likely to undermine public respect for, and trust in, higher education.

The American Association of University Professors addressed this issue in the past, and in 1990 reaffirmed the 1965 joint statement of the AAUP and the American Council on Education, *On Preventing Conflicts of Interest in Government-Sponsored Research at Universities*,¹ and commended the 1983 report of an Association subcommittee on *Corporate Funding of Academic Research*.² The latter report, avowedly tentative and anticipating a fuller statement at a later time, assumed that the initiative must lie with university faculties for drawing up conflict-of-interest guidelines for their 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. A number of federal agencies, professional associations, and scholarly journals have now taken the view that proper disclosure should also address mounting evidence that research integrity is compromised by financial conflicts of interest.³

Since conflict-of-interest policies are designed to be preventive, faculties are well advised to base them not only on local but also on national experience. Higher education could benefit from the adoption of reasonably consistent standards nationwide. Useful federal guidelines for health-related fields were issued by the Department of Health and Human Services in 2011. They define "a significant financial conflict of interest that could affect the design, conduct, or reporting" of Public Health Service-funded research as one that exceeds \$5,000 annually. Under the 2011 rule, university plans for managing individual conflicts of interest must be made readily accessible to the public, either on a website or by responding to any request "within five business days." The AAUP

recommends that campuses adopt these policies and practices for all conflicts of interest that cannot be eliminated in health fields, even for research not federally funded.

The following considerations should be taken into account when developing, revising, or implementing conflict-of-interest guidelines. Faculties should be centrally involved in establishing conflict-of-interest policies, ensuring clear reporting requirements, and setting forth steps to eliminate conflicts of interest when possible, or to manage them when that is not feasible. Because the central business of the university remains the acquisition and dissemination of knowledge, 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.

The integrity of individual research and the overall reputation of universities make it prudent for institutions and their faculty governing bodies to require disclosure by all faculty, staff, and administrators of such information and documents as consulting contracts, external research support, compensated board memberships, and significant equity holdings or indebtedness in the areas of a person's research or teaching, both public and private. Setting a dollar amount, or percentage of interest in a company, that triggers disclosure may be appropriate. Such requirements for disclosure should be carefully focused on legitimate areas of concern and not improperly interfere with the privacy rights of university personnel and their families. The best way to ensure compliance with that principle is to publicize specific guidelines defining conflicts of interest and to make disclosure a routine aspect of the profession. That normally includes a requirement that university personnel report major equity holdings by a spouse, partner, or dependent child that overlap with the academic responsibilities of teaching, research, service, and administration.

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. While private and public agencies could once be said to have a direct interest in only a few fields of research and in only certain questions within those fields, government, industry, and private foundations now fund research in a wide variety of disciplines. Accordingly, it is increasingly important that external interests 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.

Notes

1. AAUP, *Policy Documents and Reports*, 11th ed. (Baltimore: Johns Hopkins University Press, 2015), 271–73.

2. *Academe* 69 (November–December 1983): 18a–23a. See also the “Statement on Corporate Funding of Academic Research,” *Policy Documents and Reports*, 274–76.

3. AAUP, *Recommended Principles to Guide Academy-Industry Relationships* (Washington, DC: AAUP Foundation, 2014), especially “Risk 4: Financial Conflicts of Interest,” 95–100; “A Brief History of Efforts to Address COI at US Universities and Academic Medical Centers,” 103–12; “General Principles for Management of Conflicts of Interest (COI) and Financial Conflict of Interest (FCOI),” 163–88; and “Targeted Principles: Managing COI in the Context of Clinical Care and Human Subject Research,” 189–93.