

## The Political Economy of the *University INC.*

### Introduction

This issue brings together six articles from different parts of the world that report on the condition of the university in our shared neoliberal setting. This is a timely intervention, one close to our hearts as each of us works at a university put upon by neoliberal policies. As fate would have it, during the preparatory work for this issue, two of the co-editors were confronted by a University wide programme (Kingston University, Plan 2020) that would reconfigure the university to make the university a more competitive agent in the government created market for UK higher education. The experience is as traumatic as it is demoralising. The third co-editor, a campus union leader, continues to confront the day-to-day consequences of deliberate underfunding of faculty positions. The process for each of us is to say the least sobering. We believe that we are on the frontline of the neoliberal attack on higher education. We are confident that you, our readers around the world, will recognize many of the ideas and fiscal circumstances discussed in the articles. Essentially we are witness to a global project designed to reduce/distil our universities down to private business units that define all academic functions in terms of contributions to economic value. In general (in a sad comment on contemporary circumstances) we concur with contributors Sasha Breger Bush and her colleagues, *"Our spirits are wasted by stress, anxiety, depression and the creeping feeling that we are no longer providing the meaningful and vital public service that we should be providing."*

The issue's running order is as follows; first, **"Gambling with 'Human Capital': on the Speculative Logic of the 'Knowledge Economy'"** (Jean François Bissonnette and Christian Laval) analyses how the neoliberal reformulation of the knowledge economy presages a profound transformation of higher education that increases competition among universities and intensifies rivalry among scholars. The authors show how the project has taken a decidedly *speculative* turn, as universities coerce academic staff into the logic of neoliberalism, *"whereby their relationship to knowledge acquires the meaning of a gamble on the future payoff of their scholarly activity."* The whole point of the exercise is to hollow out academic practice to create market relationships satisfying the economy's need for professional skills. Increasingly management and scholars can only view a university education in terms of the discounted value of professional skills required by corporations. Most know that career training was never the sole objective of higher education. But under neoliberalism the educational goal of encouraging critical thinkers and engaged citizens has been sacrificed to narrowly vocational skills.

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The second essay, **“Neoliberalism in the Academy: Dispatch from a Public University in Colorado”** (Sasha Breger Bush, Lucy Ware McGuffey and Tony Robinson) offers intertwined first person narratives reflecting on personal experiences of *“labor flexibilization, bureaucratization, and corporatization”* at the University of Denver, Colorado. The authors make the case that these are the channels through which neoliberalism affects the nature and quality of higher education. Changes at University of Denver displace traditional views of the constitution of the university, as well as its role and function in society. Consequently respect for academic freedom, professional esteem, and collegiality are all greatly diminished as the University becomes a business unit.

**“Undoing the Neoliberal Higher Education System? Student Protests and the Bachelet Reforms in Chile”** (César Guzmán-Concha) is the first of two articles from Latin America. Guzman-Concha details the resistance to Bachelet’s attempt to marketise Chilean higher education. The article shows that while some of the legislation aimed to increase state responsibility for higher education, Bachelet’s reforms fell short. Instead, the changes consolidated a vision of education as a marketplace in which institutions compete for students, subsidies and funding. The essay ends by identifying the reforms inherent limits, pointing to the failure of a muscular welfare coalition able to transform social demands into sustainable policies. Guzman-Concha’s analysis suggests that the withdrawal of state resources from education has engendered intensified student claims for greater state support and debt reduction. While we cannot predict the outcome of this ongoing contestation, the signs for the future are not reassuring.

Another contribution from South America, **“The Corporization of a Public University with Free Undergraduate Education: Endangering Autonomy at the University of Buenos Aires”** (Cecilia Rikap) points to the negative public consequences of requiring academic units to raise their own funds. When faculty are forced to focus on consulting and other revenue generating services they have far less time and attention for either undergraduate teaching or research. Interestingly, the continued provision of free undergraduate education deflects attention from the marketised or corporate transformation of the university.

**“Imperial Partitioning in the Neoliberal”** (Cathy Wagner, Theresa Kulbaga and Jennifer Cohen) shows how top down administrative decisions to redraw the boundary between core and satellite campuses disempowered faculty and students. Previously, faculty on the various campuses had worked together on curricular design, departmental/major requirements and so forth. This core/satellite relationship supported collaboration because the two-year degrees (earned at the satellite campuses) were stepping stones to baccalaureate programs awarded by the main campus. Under the new relationship, the

regional/satellite campuses were required to redesign courses and majors to accentuate work force readiness. This reconfiguration heightened status differences across University of Ohio campuses. But because attendance at the regional/satellite campuses is more diverse and less traditional, these status differences reinforce already existing social hierarchies of race, gender and class. Thus, this administrative initiative—putatively about resources, efficiencies and autonomy—turns out to be yet another way to mark some students as “talented and deserving” and others as “less talented, less deserving.”

**“Fuzzy Privatization and Decline of Democracy at the University of Helsinki”** (Taavi Sundell and Teivo Teivainen) shows how the fuzzy use of language and a corresponding blurry practice play pivotal roles in the privatization process at University of Helsinki. The authors draw a distinction between endogenous privatization (importing of ideas, techniques and practices from the private sector) and exogenous privatization (directly private and for-profit provision of education), to argue that endogenous privatization of education lends itself to an implementation governance that purposefully blurs the roles and responsibilities of various university governing bodies. The authors argue that by obscuring power relationships these strategies mute political resistance to privatization. Taken together they effectively marginalise all democratic opposition to privatization at the University of Helsinki.

These essays show the extent to which neoliberalism and its associated *business think* subverts higher education. The academic trade unions around the world deal with the day-to-day consequences of academic policies emanating from corporate philanthropists like the Lumina and Gates Foundations. The conferences sponsored by these philanthropists for all levels of higher education administrators produce a homogenized administrative response to the very real problems confronting our universities. The men from Mount Pelerin (the libertarian institute founded by Hayek and Mises) are succeeding in anchoring the University in a fictitious vision of “the marketplace,” and are thus undermining, subverting and diverting the deep intellectual mission of the academy. It’s not a coincidence that collegiality, academic freedom, tenure and critical analysis decline when efficiency considerations drive faculty work. Indeed, higher education administrators and their subordinate fractions are hard at work instilling value calculations motivated by balance sheet profit and loss entries. By this means, all the social agents (including the students) are brought into concert with neoliberal rationality.

Corporatisation seeks to remake higher education as a consumer product, and in the process the academy is subjected to the banal demands and cold quantifications required by the demands of an assumed academic marketplace. *“Time that could be better spent with students or on research is wasted on endless paperwork and infinite meetings. Money that could be better spent*

*on improved wages and conditions for adjuncts/hourly paid lecturers or improved instruction is diverted to new administrative positions, strategic planning initiatives and third party consultants.”* Intended or not, dismantling the academy undermines democracy everywhere – without Universities fostering critical analysis and creative thought democracy withers. The pressing question remains – *What is to be done?*

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