

# The neo-liberalisation of higher education

*We print here the text of a talk given by Gurnam Singh at the Joint Campus Unions Protest Picnic at Aston University, Birmingham on 2nd July 2015*

Comrades, friends, colleagues:

I would like to begin by thanking you (and Pam Lowe in particular) for your kind invitation to allow me to address you today here at Aston University in Birmingham. I am conscious that in the audience today there are colleagues from different trade unions, so I have sought to pitch my talk – on the neoliberalisation of higher education – in a way that is meaningful to all. However – inevitably, given the scale of the neoliberal project and the limitations I have in time – I will probably only scratch the surface of some aspects.

I always advise students to begin their essays by defining the key concepts. So let me begin by addressing the key concept of ‘neoliberalism’. What do we mean by ‘neoliberalism’? I want to avoid very technical and philosophical definitions and get to the brutal realities of a term that deceptively sounds like not a bad idea! (It’s rather like the term ‘National Socialism’ that, as we all know, was a euphemism for fascism.)

And so, to avoid any confusion, let’s begin with the prefix ‘neo’. This is derived from the Greek, literally meaning ‘new’, ‘recent’, ‘revived’ or ‘modified’. And so ‘neoliberalism’ literally refers to a new incarnation of ‘liberalism’.

What do we mean by ‘liberalism’? Liberalism is a political philosophy that was born out of the European enlightenment, and was founded on ideas of liberty, or freedom, of the mind, and also, in terms of a social dimension, equality. The essence of ‘liberalism’ is captured in the French Revolutionary mantra: ‘*liberte, egalite, fraternite*’. ‘Nothing wrong with that!’, you may think. However, some people have suggested that the term ‘neoliberalism’ is too gentle to describe the kinds of reactionary policy that have developed within this new paradigm.

If words are but signposts to reality, what, then, is the reality of neoliberalism?

Put in the simplest terms possible, neoliberalism is based essentially on the idea that ‘public is bad’ and ‘private is good’. It invokes an almost Darwinian belief: that success – be it of people, institutions or, indeed, nation states – is predicated on their capacity to be entrepreneurial and creative, and that this in turn is determined by the degree of freedom they possess. Again, this sounds like a very persuasive idea. But let’s go deeper.

In their book *The Protestant Ethic and the New Spirit of Capitalism*, the French academics Luc Boltanski and Eve Chiapello (2007) offer an incisive analysis of the relatively recent history of

neoliberalism, particularly the way it has taken shape on the basis of ideas about organisational development and management, and has ultimately led to the ascendancy of managerialism and the managerial class, with the corresponding weakening of workers' power. In a nutshell, they suggest that during the 1960s much of the business and management literature highlighted the failures and 'difficulties' managers experienced in running and reforming giant corporations and bureaucratic organisations. Though the focus at the time was on the private sector, we shall see that, as trade unions became weaker and sectors were picked off one at a time, the ascendancy of a new and much-empowered managerial class has spread its tentacles far and wide.

### Rhetoric

In what often resembled cult-like tendencies, we saw the emergence of management gurus using the kinds of rhetoric one might find on the God channels (indeed, some were former preachers), espousing the virtues of change and declaring that we must learn to 'love' it if we are to survive - as if the human race up to that point had rejected change! And so we were presented with an extremely individualistic view of human nature, which was presented as a simple, 'common-sense', Social Darwinist view of survival of the fittest. Like the 'god men', these charismatic management gurus soon recruited armies of followers, who then in zombie-like fashion set about destroying much of the industrial base, at least of the UK. We saw the birth of what is sometimes called the 'new management', and through various forms of management development initiatives, most notably MBA programmes, neoliberal management ideas were able to spread across both the private and public sectors.

The new-found neoliberal management strategies were seen to offer a solution to our ills, through turning organisations into leaner, fitter entities, in a state of permanent change, in the context of globalisation, rapid technological advance and people's rising expectations. These newly flexible organisations were to be characterised by decentralisation, meritocracy and limited autonomy for managers, rather than by people occupying traditional roles for life.

These new, 'lean', 'fit', 'efficient' and 'flexible' organisations were to be understood, not as historical entities composed of people - and therefore possessing social and ethical dimensions - but simply as networks and systems that could be broken apart to produce efficiencies, primarily through the use of temporary contracts, coupled

with the externalisation of costs and risks onto sub-contractors. The cumulative effect of this destabilisation of labour and of workers' rights has been to create what Guy Standing (Standing 2011) has termed a 'precariat' class. Precarity is a state of existence without predictability or security, and this can impact significantly on aspects of material and psychological well-being. The term is applied particularly to a condition in which people lack job security, experience intermittent employment and/or unemployment, and, as a result, a precarious existence.

Another deceptive description of neoliberalism is that its advocates are not the old, stuffy types, but charismatic, down-to-earth, dressed-down, cool capitalists and visionaries like Bill Gates, Richard Branson, Steve Jobs etc. They recruit people who don't hide behind power and who eschew the formal trappings of bureaucratic authority. And they expect for their 'liberated enterprise' an internalisation of the same values by every employee, so that each one 'shares the dream' of the leader. And, just like in a religious cult, the visionary leader offers everybody a vision of heaven, of a truly neoliberal world without bosses, where everyone can realise themselves by involvement in the on-going 'project', and have a chance of becoming a 'visionary' of their own 'dream'. For many people, such dreams are simply that: dreams. And if this system is so self-evidently true and good, why do we need so much PR and marketing? Call me a cynic if you wish, but to me the reason is simple: to mask the substantial downside of this utopian vision. Even champions of neoliberalism concede that the supposed 'freedoms' of what are essentially new ways of organising labour come at the expense of the sense of security offered by more fixed career paths.

### Naive

So far I have set out, if you like, the scientific rationale of neoliberalism in relation to how organisations can be made more functional and productive. It would, of course, be extremely naïve to present the neoliberal project in such positivistic terms as being politically neutral, and therefore based on reason, logic and common sense. Far from it. Neoliberalism is essentially an ideological project, based, not on any longitudinal research, but on a false belief in what has been termed the 'trickle down' theory of growth and development. This theory was first advanced by the economist Simon Kuznets in the 1950s. It claims that as an economy develops, market forces first increase and then decrease economic inequality. However, there is compelling statistical and anecdotal evidence that

very little trickles down, as the work of influential economists like Danny Dorling and Thomas Piketty has amply demonstrated (Dorling, 2015; Piketty, 2014).

### Trashing

In his book trashing the central basis of neoliberal accumulation, Piketty suggests that inequality is not an accident, but rather a feature of neoliberal capitalism, that this can only be reversed through state interventionism, and that if this does not happen the very democratic order itself will be threatened. This observation is an almost complete repudiation of the neoliberal mantra proffered by the likes of Milton Friedman and Friedrich von Hayek: that for economic growth and development the state needs to retreat and private enterprise allowed to flourish.

In this regard, one must conclude that neoliberalism, or what some have termed 'predatory' or 'zombie' capitalism (Harman, 2009), is part of a broader project of restoring class power and consolidating the rapid development of capital. It can therefore be seen as a political, cultural and pedagogic project, aimed at nothing less than transforming the way we see ourselves, and also the world in which we live – that is, as atomised individuals in an undemocratic world, a world increasingly run by unelected 'banksters', who make their money from dealing in 'derivatives' – that is, from legalized forms of gambling. In a 'heads I win, tails you lose' game, they gamble with your money and mine, and that of generations to come, to secure huge financial gain.

Speaking of such practices in 2002, the US investor Warren Buffett somewhat prophetically said: *'The derivatives genie is now well out of the bottle, and these instruments will almost certainly multiply in variety and number until some event makes their toxicity clear. Central banks and governments have so far found no effective way to control, or even monitor, the risks posed by these contracts. In my view, derivatives are financial weapons of mass destruction, carrying dangers that, while now latent, are potentially lethal'*. And as we all know, Buffett's observations were vindicated in the 2008 banking collapse and bailout. Yet, despite the rhetoric of the politicians, it seems that the banksters are still firmly in control and, as Buffett predicted, democratically elected governments and popular mandates, as we can see with the Greek situation, are rendered impotent.

So what does all this mean for higher education? In some senses the current financialisation of higher education can be seen as a natural progression from

and extension of the neoliberal project, in three distinct ways.

First, we are seeing the financialisation of HE. Though many – but not all! - universities are designated as public limited companies with charitable status, in essence we are seeing a creeping corporate take-over of long-established public and/or not-for-profit educational institutions. Though many have grand and noble mission statements, on the ground this is resulting in a restructuring of these institutions in contravention both of their missions and of their traditions.

### Seismic

Moreover, by the shifting of the burden of funding HE from a direct and progressive taxation system to student loans and public/private finance initiatives, we are seeing seismic shifts in what could be termed the 'political economy' of the sector as a whole. As Andrew McGettigan (2013) suggests in his book *The Great University Gamble: Money, Markets and the Future of Higher Education*, under cover of austerity and deficit reduction the Government is engineering a new market in HE that is driven by new financial derivatives that will mediate the the sale of the student loan portfolio and the development of campuses. He goes on to suggest that increasingly we will see the ascendancy of a managerial class who seek to enhance their own positions, both financially and politically, by opening up spaces for new neoliberal and non-teaching private providers to extract money and exploit students further.

### 'Sub-prime'

A good example of this is the massive expansion of what might be termed 'sub-prime' degrees that are developed, often in partnership with private companies, simply to make money. Far from the promise of a meal-ticket to a high wage career, for many students, such degrees, which are increasingly delivered through online, pre-packaged materials and poorly qualified, poorly paid, demotivated teachers / graduate teaching assistants (because they are cheap), simply result in a life of debt.

To illustrate the importance of student loan debt to neoliberal economies it is worth looking at some statistics from the US, as the UK system is very much following that model.

The US Federal Reserve's Household Debt and Credit Report shows that student debt there is now at an all-time high and rising fast.

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**Household Debt and Credit Developments in 2013:**


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Category:	Quarterly Change:	Annual Change:	Total as of Q4 2013:
Mortgage Debt	(+) \$152 billion	(+) \$16 billion	\$8.05 trillion
Student Loan Debt	(+) \$53 billion	(+) \$114 billion	\$1.08 trillion
Auto Loan Debt	(+) \$18 billion	(+) \$80 billion	\$863 billion
Credit Card Debt	(+) \$11 billion	(+) \$4 billion	\$683 billion
HELOC	(-) \$6 billion	(-) \$34 billion	\$529 billion
Total Debt	(+) \$241 billion	(+) \$180 billion	\$11.52 trillion

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(HELOC = Home Equity Line of Credit)

(Source: [http://www.pieria.co.uk/articles/the\\_subprime\\_education\\_crisis](http://www.pieria.co.uk/articles/the_subprime_education_crisis))

It is worth noting here that, as reported in *The Guardian* on 12th June 2015 there seems to be an ominous move by the Government to phase out maintenance grants, currently worth up to £3,387 per year, and shift the burden onto loans. This will definitely impact the poorest students and families, and one can only speculate as to what this might mean for the sector.

Secondly, neoliberalism as an ideology has some very toxic effects. In essence it: diminishes a collectivist, altruistic conception of human society; construes profit-making as the essence of democracy; suggests that consuming is the only operable form of citizenship; promotes a perverse belief in the market to solve all problems and serve as a model for structuring all social relations. As a mode of governance, neoliberalism has a tinge of eugenicist thinking, in that it envisages a conception of life and citizenship free of government regulations, driven simply by survival of the fittest. Such thinking is grounded in the idea of the free, possessive individual, and in legitimation of the right of ruling groups and institutions to accrue wealth devoid of ethical responsibility or social costs, including, if necessary, the imposition of austerity against the democratic wishes of the people. The Greek crisis is in some ways a manifestation of what can happen when this ideology is asserted.

Thirdly, as a pedagogical project neoliberalism has profound implications. A cursory scan of most universities' campuses will reveal massive

investments taking place. Literally billions of pounds are being spent on turning universities into shopping malls and even holiday resorts. After all, there is a need to justify the £9,000 tuition fee, not to forget the National Student Survey.

This is not to say that there isn't some excellent teaching and learning taking place within universities and that all of the rebuilding is wrong. Far from it, there is a long-standing need to invest in upgrading facilities. The issue is, rather, how the money is raised, where it comes from, and the impact this may have on the academic enterprise.

Of course, there are many different impacts, such as the kinds of research that will be supported and funded, the relegation of scholarship – and particularly the humanities – to a lower status because they are seen not to be commercially orientated, and the tyranny of the Research Excellence Framework, which encourages a particularly insidious form of elitism and cronyism, not to mention the destructive effects it is having on equality and diversity. The list is endless. However, I want for the last section of my talk to focus on the particularly destructive impact that neoliberalism is having on student learning and experience, on pedagogy or the way we engage students in learning, and, by implication, on the identities of teachers and students.

There are always exceptions to the rule, but there is a growing body of evidence that teaching and learning in the contemporary university have been

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reduced to a narrow, utilitarian concern with producing graduates who are 'employable'. The assumption that this forms the fundamental purpose of education has led to the rise of an instrumentalised pedagogy based on a prescriptive, competency-based curriculum (Barnett, 1994; Fanghanel, 2012), which is used as a means of disciplining both staff and students (Giroux, 2007).

While these new pedagogical approaches are presented as benign, ideologically neutral, and indeed essential in order to facilitate participation in university education, particularly of 'non-traditional' students, what they demonstrate is a process where the encounter with ideas and 'troublesome knowledge' (Meyer and Land, 2005) as an end in itself is no longer seen as part of a university education. There is a profound anti-intellectualism involved in the notion that ideas are 'too difficult' to teach to today's students, and in any case not particularly 'relevant'. What we have seen emerge in a commoditised education system is a form of 'Sat-Nav' education. In this system, students are seen as consumers, and universities as providers whose job is to help students navigate through their studies, towards a 2.1 honours degree or above. What results is a consumerist pedagogy that is far removed from the traditional – if not somewhat romantic – view of universities as places where one goes to 'read' and discourse with a community of scholars (Cowden and Singh, 2013: 46).

One of the instruments underpinning the shift towards a consumerist model of education is the National Student Survey. This and university league tables more generally are in turn underpinned by the assumption that 'the customer knows best'. Within the university we have armies of data collectors ritualistically carrying out course evaluations of one sort or another. The justification for all this expense is that students are 'empowered' to provide feedback, usually in the form of Lickert scale ratings on such things as lecturer performance and curriculum content. This data is then collated and increasingly utilised by managers to discipline lecturers. However, there is a growing body of research that highlights flaws in student- (ie as consumer-) based teaching evaluation surveys. In eliciting students' feelings, astonishingly, they do not achieve what they claim, namely to evaluate teaching and learning, which are complex processes (Light et al., 2009; Hand and Rowe, 2001). Such consumerist instruments, where feelings about learning take precedence over learning outcomes per se (analogous to the enjoyment of food as opposed to its nutritional value), can have damaging effects on pedagogy and on professional integrity, and ultimately end up distorting the university's mission to educate (Titus, 2008). The requirement to

be 'liked' can result in the most insidious effect of consumerist student feedback, namely its impact on teacher autonomy, creativity and confidence. The point here is not to advocate that students should be silenced, but rather to draw attention to the valorisation of a particularly myopic form of consumerism into which they are being co-opted.

As well as constructing antagonistic relations between students and lecturers, this also gives students an entirely false sense of 'empowerment', which usually results only in cosmetic changes. More worrying is the way this can act to undermine the creativity and confidence of teaching staff, as well as strengthen the regulatory hand of managers whose role is, of course, purely to ensure the high quality of the 'student experience'. Indeed, this approach can encourage risk averseness among both teachers and managers, who end up conspiring to offer up things that are recognisable and likeable to students (Kember and Wong, 2000).

As well as discouraging creativity, the consumerist approach, like fast food, tends to encourage instant and simplistic feedback. Putting aside the potential distortions that can result from general 'evaluation overload' (Porter et al., 2004), if we know anything about learning it is that this is a continuing process, and not units of 'experience' to be given scores like performances on a television talent show. The consumerist model epitomises the idea of Sat-Nav education, where the potential experience to be gained in attempting to navigate between two points is reduced to a mechanical act of inputting some codes into a machine that then does the thinking for you (Cowden and Singh, 2013). While one may manage to get to one's destination much of the time, this is achieved without any sense of how this process took place. This is akin to students being offered no real sense of where the course of study they are embarked upon comes from, or being unable to see why this matters.

## Conclusion

Just as neoliberal finance has created a mirage of ever-increasing wealth, which has turned out to be nonexistent, the managerial formulas of neoliberal education are equally empty (Cowden and Singh, 2013). The neoliberalisation of universities through the commodification of knowledge, standardisation of curriculum and the fragmentation of employment is not only a real threat to critical thinking, which lies at the heart of higher education, but to democracy more widely. It is closing down the possibility of realising a different world to the one being imposed on humanity. And, far from widening participation, as income inequalities (which are the

root cause of educational inequalities) become even more acute, it is likely that neoliberal reforms will end up re-inscribing an elite system of higher education – a commoditised system where students, workers and managers will be pitted against each other, and where the profit motive will drive down terms and conditions whilst increasing fees, and ultimately student debt.

Though the outlook certainly looks bleak, we should not lose heart. If history has revealed anything, it is that the very instability of the times in which we are living will itself create ruptures and opportunities to open a debate, not only about what education is for but also about what education could be for. As academics, our devotion to critical thinking means we must nurture pessimism of the intellect, but this must be tempered with an optimism of the spirit. If we are to create genuine alternatives to neoliberalism, we will need to build new kinds of alliances between teachers and students, workers and citizens, and our project should be that these alliances will themselves give rise to new conceptions both of education, of democracy and of society more generally.

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