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Challenges for the University: Recovering Authentic Liberal Culture During Ascendant and Populist Neoliberalism

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Introduction

In the United States, the Higher Education (HE) institutions—universities and colleges—are struggling to respond to multiple pressures. At the top of the list are economic pressures of rising costs—for the HE institutions and for students. Institutions are saddled with out-of-control cost

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structures that are exacerbated, in the case of state-supported institutions, by severe budget cuts, and—in the case of non-elite private institutions—by stagnant enrollments. There are compounding political pressures such as the attacks on intellectual autonomy from the extreme Right, and the impacts of insular-restrictive US foreign policy on incoming international students as well as on global outreach projects of universities. Techno-cultural forces add to the complexities, including the dominance of instant-response-seeking social media in all aspects of academic life, the extreme social and ethnic divisions in society and academic outcomes, student demands to decolonize the curriculum, and clamor-compulsion to provide advanced techno-cultural facilities for teaching, research, living, entertainment, and dining. All of these forces are affecting the curriculum and learning, teaching, research, outreach, and assessment methods.

The current challenges to which US HE institutions struggle to adapt may be novel—arising from social, cultural, economic, and political transformations—but the need to adapt to such changing conditions is nothing new. In fact, the concept of university predates the European enlightenment, and these institutions (as well as the governing notions of higher education) changed over time in order to remain relevant to their times. The diversity of institutions we see today in the field of higher education (which we will unpack below) in terms of institutional forms, structures, methods, and objectives is a result of over a century-long adaptation and innovation processes. For example, the division of natural and social sciences schools we have in the universities today reflects the separation of scientific disciplines starting from the seventeenth century. Engineering schools and curricula entered the universities after the industrial revolution. Marketing departments opened up in universities as a response to the rise of industrial mass production in the twentieth century.

In this chapter, we are concerned with recent transformations that aim to reformat the internal logic of HE without a direct reference to such externalities. The thrust is towards replacing the functional and intellectual diversity of the institutions with a monolithic conviction of efficiency and productivity solely indexed to contested economic objectives; and, in populist regimes, to banish or suppress the ‘officially inimical’ people and content. As we will explain, neoliberalism appears as a new,

hegemonic governmental logic since the 1980s. Works of Foucault, Harvey, Lemke, and Brown (among others) expose that, as an ideological framework, neoliberalism—rather than simply revitalizing liberalism’s social projects—attempts to overhaul the key concepts of the classical eighteenth-century liberalism and redefine the relations among these concepts. In this respect, rather than simply responding to certain technological and social developments, neoliberalism aims to transform public life and reform the public institutions as well as social subjectivities by infusing them with an ethos of competition. Universities, as the generators of public life appear to be the targets of this new governmentality for catalyzing this transformation. We aim to provide analytical as well as practical perspectives on how to comprehend, engage with, and ameliorate the difficult situation of HE in the USA.

The key idea of the ‘university’ (which is embodied in the umbrella term “higher education”, or HE, which we use today to include many different implementations of the notion) had always been to expand the limits of our knowledge. The past HE focus was not on training social subjects towards performing specific productive skills; indeed, such tasks were delegated to apprenticeships in premodern times and vocational schools during modernity. HE institutions also did not emphasize preserving and reproducing what we already know: this role was assigned to primary and secondary education, not to the ‘tertiary’ HE sector. Notwithstanding the epochal, regional, cultural, technological, and other forms of historical differences across HE institutions, the existential reason of the universities had always been producing a difference—continuous improvements, from marginal to revolutionary—in our span of knowledge. Universities raised the general intellect of consecutive generations, and this became the privileged engine of social development in modern times. Principles such as *scientific materialism*, *critical thinking*, *open scientific debate* (peer review processes), *disciplinary methodologies*, the *publicness of the knowledge produced*, and *autonomy* (self-governance and independence) aided the continuing intellectual upgradation. All of these principles are debatable terms—indeed, practices diverged considerably from ideals—as the most rudimentary familiarity with philosophy and history of sciences would remind us.

But, that is precisely what the notion of ‘university’, the form of knowledge production it represents, is about, in its ideal form. Indeed, ‘production of knowledge’ partially means a perpetual refinement of its key terms and very building blocks; ‘truth’ and ‘reality’ are not set-in-stone constructions, but concepts that endlessly demand attention. Among these principles, institutional autonomy is a particularly contentious term (see, e.g., Turcan et al. 2016). Autonomy is an ideal towards which we strive rather than a particular format. The concept and realization of autonomy are the basis for exercising the intellectual freedom which is a hallmark of a free society and which enable the University to contribute to social, political and economic development (see Vignettes 3.1 and 3.2). The autonomous status (to the degree that it could be practically exercised) granted the modern universities the space-time to produce knowledge independently from (and at times, contrary to) the political authorities and economic powers, and the chance to develop their own institutional practices. As an indirect but important consequence, such institutional autonomy also granted the universities the chance to be distinct from one another, pursue different research fields and interests, experiment with learning methodologies, and respond to multiple cultural, economic, social needs.

Vignette 3.1: Autonomy and Pluralism

In Europe, the modern universities were conceived as a part of the ‘public education’ and funded by the public. Despite their theological and religious institutional roots, they had to be secular institutions, open and inclusive towards all constituents of the ‘public’ at large (there are still numerous ‘religious’ Universities, and few countries have granted effective ‘independence’—the fact that they are funded by the state means that they are subject to state control). ‘Autonomy’ appeared in this sense not only as a philosophical device that insulated ‘scientific’ inquiry from the influence of political, religious, and economic interests, but also as a governance device that provided the universities their ‘administrative independence’ from political, religious, and economic interest groups.

By contrast, the US political culture—as a republic—has been shaped by the notion of ‘pluralism’, which affirmed rather than denied plural influences (including political, religious, economic) as productive for a democratic public culture. As a result, most ‘private’ universities operate as ‘non-profit institutions’ that reflect and emphasize the values of the founding

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Vignette 3.1 (continued)

parties in their institutional identities and curricula. Unless these institutions turn exclusionary and prevent other people from pursuing education (e.g., by imposing particular religious beliefs in their curriculum, as some Evangelical and other faith-based schools in the US do, see Vignette 3.2), they are taken as fulfilling the ‘public good’; and therefore enjoy the tax-exempt status of the non-profit organizations. The US universities also embrace the notion of pluralism in their governance. ‘Boards of trustees’ that are composed of the representatives of the affiliated organizations, and social elites who come mostly from the corporate world, govern both private/non-profit and public universities.

Therefore, although US universities are formally ‘independent’ institutions that govern themselves, their governing bodies organically connect them to external powers, which assert or negotiate their own interests in the decision-making processes. Ward Churchill’s ousting from office is an example of the extent of such influence; the famous Native American Studies scholar was unjustly fired (according to a subsequent lawsuit) from his tenured position at the University of Colorado in 2006 after being targeted by conservative media outlets because of his comments on the September 11 attacks (see, e.g., Bowen and Michael 2016 for further discussion on these issues).

Neoliberal interventions, by forcing the institutions to comply with presumptive ‘free market dynamics’ and by enforcing uniform structural changes that guarantee their compliance, erase the constitutive differences among the institutions. We use the qualifier ‘presumptive’ since, as Gabriel Tarde’s early criticism exposes, the economy of knowledge—which the universities produce—does not actually comply with economy of material commodities. The dynamics of these two economies are not only different but antithetical (see, e.g., Lazzarato 2004). Neoliberal pressures attempt to turn HE institutions into preparatory schools for business, and thus undo the very foundations of the modern university.

In the modern and post-medieval history of the university, we find two phases: (1) during the time of the dominance of the culture of liberalism and (2) during the ascendant culture of neoliberalism, often interlaced with rising waves of populism. This latter and current phase creates challenges for the liberal ideal of the university, particularly from the viewpoint of the ‘academy’—the faculty members who constitute the intellectual core of the

university. The chapter reflects on the intersecting perspectives of the governing boards and administrators of the university, the faculty members (the academy), the students and—increasingly—external constituencies such as business firms and nongovernment organizations (NGOs). The organization of the chapter is along these main sections:

- The emergence of the ideal of the liberal university, in Europe and North America followed by other parts of the globe; this ideal often acting as the preeminent intellectual institution of modern liberalism
- The rising challenges at a gradual pace initially, and then rapidly and insistently—from the forces of neoliberalism, often interlaced with populist trends; forces that negate and sometimes violently overturn the principles of the liberal ideal university
- The intersecting perspectives, about the transitioning nature of the university and the emergent challenges, from four groups: governors/administrators, faculty members, students, and the external constituencies such as business entities and NGOs
- Explorations of the possible directions along which universities can evolve and improve under these challenging conditions

Emergence of the Liberal University Ideal-Type and the Autonomous Academy

Liberalism emerged as the central cultural ideology of modernism during a centuries-long evolutionary process from the fourteenth–sixteenth century Renaissance to the seventeenth–eighteenth century Enlightenment (see, e.g., Gould 1999; Gray 1995; Kuo 2015). While the origins were European, the Enlightenment also brought intellectual energy from North America, particularly from Benjamin Franklin, and even from distant colonies. This ideology promotes principles regarded by modern thinkers to be liberating individual human beings from all the traditional oppressive conditions that faced humanity. These are principles such as democracy, civil rights, secularism, and individual liberty, among others (John Locke). The modern thinkers believed that—together with the institutions that were to enable the exercise of these principles, such as the nation-state and public education—the institutionalization of these

principles of liberalism would be truly transformative. They would help us realize the liberation of individuals, the citizens, from all oppression, freeing them to follow their own free and independent will, to participate equally in all cultural (political, social, economic) developments and realize their full potential (Gray 1995; Susser 1995).

American universities came to epitomize the liberal culture and principles only at the leading edge, not across the board: the American HE sector is vast and diverse. In Vignette 3.2, ‘The Ideal-Type Liberal American University’, we list the range of HE institutions in the USA, identify those that approximate the ideal-type, and profile briefly two very opposite universities.

Vignette 3.2: The Ideal-Type Liberal American University

With well over 5000 institutions, the HE sector in the USA is vast and diverse. At the top are elite private universities (Ivy League and similar), public research universities (often flagship, land grant schools), and elite liberal arts colleges. These (used to) approximate to the liberal ideal-type. At the other end are ultra-conservative religious universities that reject many of the liberal ideals. In between are other categories—technical colleges, community colleges, open-minded religious universities and colleges, nonelite private universities and colleges, historically black universities and colleges, for-profit universities and colleges, women’s colleges, and men’s colleges, which range across the liberalism spectrum.

Wesleyan University is an exemplar of a US institution very close to the liberal ideal-type. With 3000 students, Wesleyan is a liberal arts college with a reputation for aggressively championing diversity—of people and views. According to one college-help site: “Intellectual independence, critical thinking skills, and the ability to see the connection between distinct fields of learning are the goals of a Wesleyan education. Students are encouraged to see themselves as scholars, to participate in the exchange of ideas, and to form close working relationships with professors. Wesleyan describes its environment as academically demanding but noncompetitive...”.

By contrast, Bob Jones University, also with nearly 3000 students, is a fundamentalist Christian university.... “a biblically faithful, Christian ... university focused on educating the whole person to reflect and serve Christ”, according to the website of the town where it is located. The school has been criticized for its policies that are often racist, anti-gay, and tend to blame (rather than protect) victims of sexual abuse. The institution often exhibits a ‘family business’ character: for years, Bob Jones and three generations of his family successors led this university.

Challenges Arising from Neoliberalism and Populism

Neoliberalism emerged from the political and policy-level ascendancy, during the Thatcher-Regan era, based on the neoconservative intellectual principles—proposed in the 1920s and 1930s—that evolved and were refined in the crucible of the Cold War after World War II ended (Harvey 2007). The intellectual ideas of neoliberalism were well honed during the series of meetings of transatlantic intellectuals of the Mont Pelerin Society, founded by Friedrich von Hayek, that met at Mont Pelerin in Italy, from 1947 onwards (Monbiot 2007). The ideological framework of neoliberalism was ready; the coming to power of Margaret Thatcher in the UK and of Ronald Reagan in the USA (see Vignette 3.3) provided the powerful political platforms to launch these ideas (Monbiot 2016).

Vignette 3.3: The Reagan Years: An Example of Neoliberal Intervention in the Higher Education System

One of the first political acts of the Reagan administration [1985] was to severely reduce student loans, which had a huge impact on the accessibility and the function of higher education in the following decades. Cutting back student loans was accompanied by the persecution of students who were not able to pay back their debt. Consequently, students from low-income backgrounds started either staying away from higher education, or choosing 'vocational' education options, which guaranteed them job opportunities immediately after finishing school. This measure indirectly, yet firmly affected the public life. Fields that required longer education (such as medicine and law) and after-school exploration and experience (such as humanities and arts), fields that lead to professional qualities and positions that eventually shape public life at large, became attainable only for students from upper-middle-class economic backgrounds. In other words, the Reagan administration's intervention diminished class mobility, and at the same time, forcefully produced the trained labor force for industry.

Neoliberal policies rely solely on the workings of the 'free' market, based on its own principles, and hold that it is the competition in the market that will provide the liberty of the individual, promote

democracy, protect civil rights, and advance all other ideals of modern culture (Monbiot 2016; Steger and Roy 2010; Wilson 2018). According to neoliberal ideology, left to work according to its principles, the market will simply take care of all other modernist principles. Indeed, neoliberalism elevates and sharpens the marketization—of all aspects of life—in ways that are distinct from markets and capitalism under liberalism (see Ozgun et al. 2017). Neoliberal mutation occurs in three important ways:

- *From non-market to all-market:* Classical liberalism favored the market but left key socioeconomic fields—arts, culture, law, public administration, education—outside the ambit of the market. Perceived as vital for the public good, it was felt that these fields could not be organized to serve their vital roles efficiently and effectively when left to market dynamics. Neoliberal mutation does not perceive such socioeconomic spaces outside of the market. According to the neoliberal rationale, the main function of the state/public authority is to spawn markets—actively—even in the public realm.
- *From exchange to competition:* Classical liberalism conceptually organized the market as a model around the notion of ‘exchange’. In a thriving ‘exchange environment’, goods and services materialized, and the demand/supply mechanics played their roles. ‘Competition’, a side force, facilitated, regulated, and guaranteed the efficiency of ‘exchange’. Neoliberalism conceptualizes market around (or even, ‘under’) the notion of ‘competition’. Above all, competition emerges as the servomotor not only of markets, but of all socioeconomic development.
- *From natural to ideal form:* Classical liberalism perceived market as a natural form, an exchange environment that is a natural extension of social exchange in general; if people were left alone, they would develop market relations among themselves. Neoliberalism perceives market as an ‘ideal form’ that can only be approximated in practice—and requires active policy impetus. Market does not happen naturally, because the social relations are not inherently competitive but ‘collaborative’; thus, competition and marketization have to be cultivated and pursued actively against the natural inertia of society.

According to critics, neoliberalism is not a working proposition for efficient, equitable, and harmonious societies. Instead of all the idealistic promises, neoliberalism results in creating a supremacy of economic interests over human interests, of ‘profit over people’ (Chomsky 1999). Yet, as Foucault, Lemke, and Brown point out, neoliberalism is not an amalgamation of ruthless neoclassical economic policies put into action regardless of their consequences for common people, but a pervasive (and seemingly ‘revolutionary’) ideological framework that aims to reshape the social subjects, social relations, and social institutions according to the ideals of an imaginary ‘free market’ narrative. Therefore, reconfiguration of public institutions and the cultural sphere (where the social subjectivities and social relations are reproduced) has not been a secondary issue for the neoliberal politics but a priority for undoing liberal society (see Vignette 3.3). This includes the universities, which represent the epitomes of liberal public life formed around its core social values and resistant to such ideological and political interventions because of their natural dynamics, scientific traditions, and institutional autonomy.

Analyzing the changes in higher education over the past decades, we observe three types of effects resulting from such interventions: Structural effects transform institutions at a structural level, ideological effects transform the nature of knowledge produced at the universities as well as their cultural life as a social space, and, finally, there are effects on labor processes and work conditions in the universities. The recent variant—neoliberal populism (predicated on crafting, blaming, and attacking a villainous ‘Other’, see Gökmen 2017)—further reshapes everything, including HE institutions.

Structural Effects

Neoliberal policies change universities at the structural level through intervention mechanisms. Major structural changes include (but are not limited to) the following:

- Restructuring of administrative bodies, toward managerialism often favored over academic leadership

- Intensification of accreditation and assessment policies and practices, resulting in the metricization of everything (to the detriment of open-ended mind-expanding discourses and discussions; see Vignette 3.2)
- Pressures to create industry-university partnerships, typically with the industry partner in the driver's seat (see Miller 2009)
- Concentration of public grants and resources to favor big universities (that are more accommodative of neoliberal priorities), and disadvantaging small liberal arts colleges (that often cling to the liberal ideal-type)
- Prioritization of applied sciences and disciplines over other departments and areas of the university, including differential financial rewarding of the applied sciences professors
- Close linking of universities with financial capital ('Wall Street') through endowments, student loans, and privatization of pension systems

One overall effect on universities and student-families is the increasing social class discrimination in student admissions, with admission strategies that could become intense, and sometimes illegal (see Vignette 3.4).

Vignette 3.4: Admission Schemes and Scams

While most of the 5000 HE institutions in the USA clamor for applicants, the top schools have the opposite problem. Students desire them so intensely, and their parents even more so, that often a variety of strategies are employed to boost chances of admission to the top institutions. One admissions consultant boasted that his "top-of-the-line" admissions-help package would cost the parents \$250,000. Sometimes these strategies cross the line and become illegal. In 2018–2019, a number of illegal college-admission schemes surfaced, including the following (resulting in some prosecutions and jail sentences):

- Falsely certifying that a girl is an athlete, and getting the athletic department of the target school to recruit the girl as a student—in exchange for a hefty bribe
- Deliberately hacking into and falsifying the scores on college achievement tests, which play a significant role in the admissions decision

These phenomena are going global. We know of one parent in China who asked her Chinese-American friend a question like this: "I can easily donate a million dollars. Will that help get my son into Harvard?" The answer, of course, was no... but, the answer could be different if donations of \$50 million to \$100 million were being mulled.

Ideological Effects

Neoliberal ideological disposition reshapes the curriculum, educational content, and the social/cultural life in the universities. In the USA, the ideological effects include these (and of course more):

- A ‘managerial’ turn in university administrations
- Prioritization vocational skills in designing curricula
- Public recreational spaces of universities opening up to commercial activities (such as expositions, commercial concerts)
- Universities selling services to students and faculty that are only indirectly related to education: dormitory rooms/apartments, parking spaces, meal plans, gym memberships
- Incorporation of business skills and neoliberal values (competition, self-promotion) into educational content and activities

The overall result is an ongoing effort to cultivate neoliberal subjectivity leading to the changing perception of the university in the eyes of students and faculty as a space of contestation rather than experimentation, learning, and intellectual/creative development.

Effects on Work Processes and Conditions

Neoliberal pressures alter the work processes and work conditions at universities. In the USA and, by demonstration and exemplification, globally, the following are observable on higher education campuses:

- Prioritization of the faculty and students through measures such as the adoption of purely quantitative criteria for tenure and performance evaluations
- Prioritization of ‘research activity’ in quantitative performance evaluations (n-number of publications in x-category outlets, grant dollars generated)
- Creating a sterile competition that is antithetical to intellectual productivity and social responsibility

- Increasing reliance on part-time faculty (which is precarious labor par excellence; see the work on the ‘precariat’ by Standing 2016)
- Internship requirements imposed on students (provision of unpaid labor for the industry)
- Outsourcing of operational services (generating and taking advantage of precarious labor in noneducational contexts)
- Adoption of anti-union policies and regulations for faculty and staff
- At the big universities, deployment of exploitative collective bargaining strategies that are only feasible for large-scale regional employers
- Not by explicit policy, but indirectly, intensification of age, gender, and social class discrimination among faculty, students, and administrative staff
- Increasing salary gaps among administrative hierarchy and faculty members, with the top levels (for the very few) outstripping the bottom rungs often by multiples of 20 or more

Neoliberal transformation of universities and higher education system mirrors the three transformational forms and their effects that we discussed. On the base layer, education is perceived as a ‘market’ rather than a public good/service, and regulatory institutions and agencies involved in education are perceived as the market components. The new jargon of educational affairs reflects this transformation openly. Even public universities in their mission statements consider themselves as a ‘player’ in regional/national ‘education markets’. The result is that public educational initiatives are discouraged and private initiatives are encouraged.

Educational institutions (whether non-profit or public) are perceived as any other corporate business environment. University administrators are selected from the corporate world rather than from among academics. The structures of the administrative bodies are modeled after profit-oriented businesses. Most importantly, the organizational efficiency and effectiveness criteria of educational institutions emulate the success measures of business enterprises. The legal frameworks of non-profit organizations prepare the ground for such criteria by classifying these institutions as an economic agency permitted to generate economic surplus in a similar way to profit-oriented corporations (see Vignette 3.5).

Vignette 3.5: Non-Profit Organization: The Economic Form of Private Universities in the USA

According to the liberal idea of freedom, the 'public' was seen as the sum of private interests. Self-regulating market mechanisms would provide these private interests a space of negotiation, and 'public good' would realize itself through such negotiation.

Yet certain social activities which served as a benefit to society at large could not be left to the invisible hands of the market. Government functions and administrative services, as well as religious and social support functions (such as charities), are these kinds of activities. A specific term and legal identity original to US political culture, 'non-profit', covers such activities and defines the organizations dealing with these activities. Since the activities are conceived as fulfilling the 'public good', US law provides these organizations with exemption from certain federal income taxes. The legal status of these organizations is defined by article 501 of the Internal Revenue Service code, which defines the fields of activities which are allowed federal tax exemption in its provision 'c'. According to this provision, religious and educational institutions (among other institutions) are considered charitable institutions. This means that they are exempt from certain federal income taxes, and can receive donations that provide income tax relief to the donors.

The definition of 'non-profit', and the related concept of 'endowment' is the key to understanding the underlying economy of the 'non-profit sector' within which the US universities operate. Non-profit organizations are able to get involved in commercial activities in their field just like any other corporation. In this sense, there is no difference between 'non-profit' organizations and profit-oriented corporations in generating 'surplus value' out of their commercial activities. The difference between 'non-profit' and 'profit-oriented' organizations lies in the distribution of 'surplus value' rather than in their intentions in profit making. 'Profit-oriented' organizations can transfer their 'profit' to the owners of companies or distribute it among shareholders. 'Non-profit' organizations cannot do the same, and can only use their income to invest in the activities to which the organization has committed itself.

Here the law makes a distinction on the basis of intention, with the assumption that the main goal of profit-oriented organizations (corporations) is to make their owners and shareholders wealthier, whereas the goal of non-profit organizations is to create the economic resources necessary for sustaining their activities in their field(s). Non-profit organizations can indeed make profit and sustain capital accumulation perfectly well, but their profit is not appropriated by private individuals and the capital accumulation cannot be transferred to their shareholders as personal wealth. However, generation of profit may be a performance indicator for salary enhancement.

The growing endowments (see Vignette 3.6) economically tie the universities to finance capital. There are many indicators of the transformation at this layer; such as the professional administrators salaries (which are on par with corporate CEO salaries), the pressure on the institutions to grow and become more ‘competitive’ (defined by quantitative measures) within the ‘markets’ they serve.

Vignette 3.6: Endowments: The Link Between Private Universities and Finance Capital

Today, the endowments (financial assets) of the oldest non-profit organizations operating in the US cultural landscape exceed the national economies of dozens of small nation-states. In January 2008, 76 colleges in the USA had endowments exceeding \$1 billion, led by Harvard University’s staggering \$34 billion endowment, which saw a nearly 20% increase, bringing in \$6 billion over the course of the year. As of June 30, 2008, Harvard Management Corporation, the university’s investment company, managed more than \$45 billion. The second largest endowment was held by Yale University, which rose to \$22.5 billion, seeing a 25% increase over 2007. The median one-year return on endowments was 21% among colleges with endowments greater than \$1 billion in 2007, and nationally the median return was 17.2%—the highest it had been since 1998. Meanwhile, while the endowments of the colleges grew exponentially during 2004–2008, they spent proportionately less of their endowments each year, spending only 4.6% on average in 2008. As a response to growing public concerns over the growth rate of their endowments, only a few universities announced an increase in their financial aid programs and diverted more funds to their day-to-day operations. In the case of Harvard University, 35% of the institution’s yearly expenditure was covered by funds from the return on their endowments in 2008, after a 40% increase as a response to the criticisms (Schworm 2008). The unsatisfied critics claimed colleges should spend far more of their fortunes on public education in order to justify their tax-exempt status. Lynne Munson, from the Center for College Affordability and Productivity, who testified before Congress on the issue in fall 2007, claimed Harvard could allow its students to attend the university for free, for just \$300 million, a fraction of the endowment’s annual return.

‘Endowments’—being massive investment pools—link universities tightly to finance capital. The growth rates of the endowments themselves demonstrate this link clearly. After the deregulation of the finance market, the endowment of Harvard University grew exponentially during 2004–2008 with a nearly 20% investment return rate, reaching \$36.9 billion by June 2008 at the peak of the finance market bubble. After the finance market

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Vignette 3.6 (continued)

crash, in the following 4 months, the endowment lost 22% of its investment value (Gross 2008). Facing similar losses due to the downturn in the financial market, most major universities announced significant cuts to their budgets by the end of 2008. In financial boom times, HE institutions are not eager to employ their increasing endowment gains to increase their services or to help students, staff, or faculty. On the other hand, in financial downtimes, universities are eager to cut their budgets and services. By 2018, endowments had recovered and were more opulent—over 30 universities had endowments over \$3 billion. In billions of dollars, the top 4 were Harvard at \$38.3, Texas at 30.9, Yale at 29.4, and Stanford at 26.5. Of course, fees still keep rising—and austerity measures continue.

Such a direct relation with finance capital makes the universities' claim of 'autonomy' highly doubtful. Moreover, such ties with finance markets also indirectly relate the university to the politics associated with these economic structures. In 1996, Yale University, the fourth richest university in the USA, sought to get rid of its unionized workers via outsourcing, and provoked a strike. This was not only to exploit the post-industrial economic crisis in its home city of New Haven (the fourth poorest large city in the USA) but also to lower pay standards in the region, for the benefit of other corporations operating in the area, by using its economic power as the largest employer (Wolff 1997).

Beyond these administrative and procedural transformations, we find the restructuring of the regulatory agencies involved in the educational processes and the content of education itself. "Entrepreneurial skills" have become a necessary skillset to be taught in every field—which only makes sense if one accepts that 'market', left to its own devices, is not capable of evaluating and appreciating professional and intellectual skills, so that the students have to be taught 'how to do business' besides 'how to do their job'.

'Competition' is a pivotal term in this restructuring of regulatory agencies. It is also the conceptual pitfall of neoliberalism in its attempt to remake the cultural and educational spheres. Intellectual, creative, and artistic fields; labor processes; works; and products are founded on and constituted by the notion of "difference"—a 'creative work', in its essence, is a work that is different from previous works, otherwise it is not

‘creative’. ‘Information’ itself, in Bateson’s famous theoretical demarcation, “is a difference that makes a difference”. Whereas ‘competition’ can only be established among things that share essential functional similarities. The first thing that the neoliberal rationale brings in its attempt to remake the cultural field according to the law of competition is to install quantitative measures that facilitate competition at the practical level, and disregard all the constitutive qualitative differences between institutions, regulatory agencies, labor processes, and cognitive, intellectual, creative production methods and productions. Particularly in social sciences and humanities, the notion of ‘research’ has been emptied of its creative essence through the emphasis on quantity.

The top-down and forceful imposition of quantitative criteria for measuring “effectiveness” and “efficiency” of academic institutions results in regulatory institutions and agencies embracing values that depreciate their work. Quantitative criteria fail to evaluate qualitative results, and metricized processes cannot self-correct their operational logic. The closure of the Centre for Contemporary Cultural Studies (CCCS) at the University of Birmingham, in UK, in 2002 is a case in point. One of the most productive and influential units in social sciences was shut down and “restructured”. The pretext was the low score CCCS received in UK’s Research Assessment Exercise of 2001—a government-sponsored survey that distributed public funding on the basis of the quantitative assessment of the universities research activities, a perfect neoliberal intervention that led to a structural change that was a big loss to social sciences. The Research Assessment Exercise score was the ‘pretext’; CCCS was closed precisely because it challenged the ‘neo-liberal’ policies and was a powerful voice of dissent within the University.

The organization of the HE institutions, thus, has a different nature and takes distinctly different forms under liberalism and neoliberalism. The university’s and the academy’s ideal liberal institutional forms and principles (see the Wesleyan example, Vignette 3.2)—come under intense pressure, especially under neoliberal populism. To understand these tugs and tussles, we turn to four perspectival positions that are shaping the HE institutions of America.

Four Perspectival Positions: Intersecting, Overlapping, Conflicting

With the advent of neoliberalism, the organization of the academy has been going through radical transformations. The institutional forms, the core organizing principle, and the type of human subjectivity that identified the university—and especially its core, the academy—under liberalism have all been displaced in favor of new (and evolving) forms. Under neoliberalism, a corporatist business logic is reorienting the core organizing principle, the centuries-long institutional forms, and the innate human subjectivity that constitute the university and the academy. Of course, the liberal forms were already gutted in many HE institutions in the USA (see Bob Jones University example, Vignette 3.2); now, the effects are spreading at the exemplar institutions—elite Ivy-type universities, major state universities, and elite liberal arts colleges—that were attempting to sustain the liberal ideal. To understand these transformations, it is helpful to focus on four perspectival positions—of the governing bodies/actors, of the faculty or academy, of students, and of entities external to the university.

Boards and Administrators

In the universities in the USA all aspects of neoliberalism are gaining ground—move from non-markets to all-markets, transition from exchange to competition, and marketization seen as an ideal and not something that may happen naturally, or not at all. Universities in Europe and elsewhere are behind but trying hard to follow the American trends. In such times, it is to be expected that the administrative-managerial functions in the universities would expand. On the governing side—the overseeing boards and the expanding administrative ranks—these are necessary changes, essential for survival and even more important for growth. Universities slip into the neoliberal fold almost unconsciously. A study by the consulting firm Deloitte found that, in the USA, intellectual/academic leadership ranked last among the six skills sought when

hiring presidents. Being a strategist, communicator, fundraiser, and financial wiz are more important than being an intellectual/academic leader (Selingo et al. 2017). Musselin (2018, pp. 677–678) sums up the changing roles, expectations, and emerging conflicts in some hard-hitting words: “Competition has dramatically increased ... as national governments have developed competitive schemes and private actors have developed bibliometrics ... to quantify ... academic work... Competition has both increased and changed as research universities have become competitors, competitive schemes have become more formalized and the results of competition have become more quantified, visible and easy to compare... [Administrators have] to behave more strategically and to replace collegial relationships with hierarchical ones... This impacts relationships within research universities as some of the faculty are empowered by competition (the winners and those participating in the definition of the competitive game in funding agencies) and others endure competition.”

The Faculty: The Academy

To have academic freedom, in the era of liberalism, the academy needed to have autonomy from political, social, and economic pursuits. It had to have the autonomy to set the criteria for the veracity and validity of knowledge claims (Fuller 2009). Autonomy of academic institutions, including universities (Metzger 1955), was institutionalized—at least, at the leading-elite edge of HE institutions in the USA—during the reign of the ideology of liberalism. So were other principles institutionalized, such as academics electing their administrative leaders—deans, chancellors, rectors—from among their own ranks, usually for a given term, after which these returned to their academic practices. As we saw in the previous section, these principles of electing leaders are being replaced rapidly by systems of hiring the strategist-fundraiser as the leader. In the ongoing melee of neoliberal changes, the academy is being marginalized the most; and these effects are multi-generational, since it takes over a decade of college work to prepare the consummate scholar-teacher.

Students

In the liberal university, the student was in a liminal stage between childhood and adulthood, where the ‘life of the mind’ developed along with the maturation of the biological body. In the ashrams of ancient India, the university equivalents of the era, the person (the boy) went in a child, spent years learning all manners of skills and orientations from the guru, and emerged (graduated) as an adult scholar-warrior. In the contemporary neoliberal settings, Read (2009) finds severe stresses, of many types, on the liminal role of the student. Based on the ideas of Read (2009) and our observations, students face many conflict-laden situations:

- The tension between learning and earning, especially in state universities facing severe budget cuts
- Exhortations to be competitively demanding ‘consumers’ (“I pay tuition, give me what I want”); rejecting the liberal wisdom of gradual cultivation of the thinking person) in settings where the true goal should be learning and development of the mind
- Assessing everything on campus in instrumental ways: “How will this help me get a job?”

Read (2009, p. 152) draws the conclusion that “the liminal moment of the university, that made the subject position of the college student anomalous, neither child nor adult, is being eradicated. College life is caught between the double pinchers of childhood and adulthood. The gap between these spaces is closed; one now answers to parents and to future employers at the same time. What we see in the university is a neoliberal production of subjectivity...” Indeed, under neoliberalism, the university is no longer seen as producing thoughtful, reflective citizens. It is required to produce trained, skilled, competitive-yet-collaborative, hierarchy-respecting-yet-innovative workplace employees.

External Entities

External entities, especially deep-pocketed business people and powerful political/ideological persons, are finding multiple ways to exert influence in the HE institutions in the USA. They are being inducted in governing and advisory boards, at the top and at subunit levels. Public-private (i.e., university-external entity) projects, partnerships, exchanges, sabbaticals, and visiting lecturer roles are proliferating on campuses. With budget cuts, even state-supported schools are forced to launch massive fundraising campaigns often with billions-of-dollars target goals, for big state universities, so that they can sustain and expand their programs and offerings. This gives the big donors substantial sway in the priorities of the institutions, despite efforts to keep donor influence away from autonomous academic practices. Yale University rejected a \$20 million gift from Oil Baron alumnus Lee M. Bass, whose condition for gifting was to expand the western civilization courses—and, presumably, stanch the spread of multicultural-postcolonial courses. Such instances are, of course, rare exceptions—universities, even rich and well-endowed ones—typically accommodate donor priorities, which usually have neoliberal flavors.

Recovering and Restoring the Autonomy of the Academy: Ameliorative Pathways

What can be done at this point to save the higher education system from the crisis it has been dragged into by neoliberal interventions? First, we need to evaluate indicators in their social contexts, and recognize the failures and crises—all the effects we discussed above are indicators of universities departing from their privileged role of contributing to public life. The increasing income gap in university admissions and access to higher education indicates that universities are failing to facilitate social mobility, but are reinforcing and deepening the existing economic class structures (see, e.g., Miller 2018). If the production of knowledge is still possible under these circumstances or even increasing the corpus of

knowledge, according to those who believe ‘knowledge’ can be quantifiably measured by a number of indexed journal articles, the fruits of the knowledge produced are not shared by society at large, but cornered by already privileged sections of the society.

At the ideological level, there seem to be lessons to learn. Although neoliberalism appears as an ideological mutation that recomposes the key concepts of classical liberalism, this mutation took place within the cultural and economic conditions of late capitalist societies governed by liberal political principles. Therefore, retreating to the political reason of liberalism, and embracing its fault-lines and inherent contradictions as a ‘lesser evil’, is naive wishful conservative thinking. The failure of neoliberal policies embodied in the transformation of universities, however, actually gives a chance to reconsider political alternatives to the liberal social order. Not surprisingly, socialist politicians and political programs are reemerging in the US political landscape and gaining legitimacy, after decades of demonization following McCarthyism.

The structural effects discussed above are results of administrative policies, which can be reversed or replaced to achieve opposite effects. Policies and legal frameworks have to be adopted to regulate the economy of non-profit organizations in the US context—which proved fertile grounds for neoliberal influences and exploitative labor practices. Simple regulatory measures, such as limiting the endowments of non-profit organizations proportionally to their sizes, can have immense positive effects in reducing these organizations’ ties to finance capital and force them to invest their economic resources into public education. Facilitating and imposing unionized labor practices in private universities, reducing the salary gaps between the lower and upper administrative staff, and among the academic cadres of different disciplines through regulations, can be at least partially effective in the amelioration of labor conditions at the universities. The shift towards managerialism in university administration can be reversed if we can reverse the criteria of success in university administration from quantitatively measured ‘research and grant activity’ and ‘fundraising capacity’ back to innovative learning and contribution to public culture.

In short, as we maintained in the beginning, all the symptoms discussed are political dispositions issued by a new and transformed governmental logic—rather than stemming from the transformation of technological, social, and economic conditions surrounding the university. Therefore, it would not be difficult to replace them, if there is a will to dispose of this new governmental logic. Of course, such changes require the democratic processes to work in ways that will elect public officials not beholden to rich lobbyists and donors.

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