

MARCH 8, 2009, 10:00 PM

Neoliberalism and Higher Education

I've been asking colleagues in several departments and disciplines whether they've ever come across the term "neoliberalism" and whether they know what it means. A small number acknowledged having heard the word; a very much smaller number ventured a tentative definition.

I was asking because I had been reading essays in which the adjective *neoliberal* was routinely invoked as an accusation, and I had only a sketchy notion of what was intended by it. When one of these essays cited my recent writings on higher education as a prime example of "neoliberal ideology" (Sophia McClennen, "Neoliberalism and the Crisis of Intellectual Engagement," in *Works and Days*, volumes 26-27, 2008-2009), I thought I'd better learn more.

What I've learned (and what some readers of this column no doubt already knew) is that neoliberalism is a pejorative way of referring to a set of economic/political policies based on a strong faith in the beneficent effects of free markets. Here is an often cited definition by Paul Treanor: "Neoliberalism is a philosophy in which the existence and operation of a market are valued in themselves, separately from any previous relationship with the production of goods and services . . . and where the operation of a market or market-like structure is seen as an ethic in itself, capable of acting as a guide for all human action, and substituting for all previously existing ethical beliefs." ("Neoliberalism: Origins, Theory, Definition.")

In a neoliberal world, for example, tort questions — questions of negligence law — are thought of not as ethical questions of blame and restitution (who did the injury and how can the injured party be made whole?), but as economic questions about the value to someone of an injury-producing action relative to the cost to someone else adversely affected by that same action. It may be the case that run-off from my factory kills the fish in your stream; but rather than asking the government to stop my polluting activity (which would involve the loss of jobs and the diminishing of the number of market transactions), why don't you and I sit down and figure out if more wealth is created by my factory's operations than is lost as a consequence of their effects?

As Ronald Coase put it in his classic article, "The Problem of Social Cost" (*Journal of Law and Economics*, 1960): "The question to be decided is: is the value of the fish lost greater or less than the value of the product which the contamination of the stream makes possible?" If the answer is more value would be lost if my factory were closed, then the principle of the maximization of wealth and efficiency directs us to a negotiated solution:

you allow my factory to continue to pollute your stream and I will compensate you or underwrite the costs of your moving the stream elsewhere on your property, provided of course that the price I pay for the right to pollute is not greater than the value produced by my being permitted to continue.

Notice that “value” in this example (which is an extremely simplified stand-in for infinitely more complex transactions) is an economic, not an ethical word, or, rather, that in the neoliberal universe, ethics reduces to calculations of wealth and productivity. Notice too that if you and I proceed (as market ethics dictate) to work things out between us — to come to a private agreement — there will be no need for action by either the government or the courts, each of which is likely to muddy the waters (in which the fish will still be dying) by introducing distracting moral or philosophical concerns, sometimes referred to as “market distortions.”

Whereas in other theories, the achieving of a better life for all requires a measure of state intervention, in the polemics of neoliberalism (elaborated by Milton Friedman and Friedrich von Hayek and put into practice by Ronald Reagan and Margaret Thatcher), state interventions — governmental policies of social engineering — are “presented as the problem rather than the solution” (Chris Harman, “Theorising Neoliberalism,” *International Socialism Journal*, December 2007).

The solution is the privatization of everything (hence the slogan “let’s get governments off our backs”), which would include social security, health care, K-12 education, the ownership and maintenance of toll-roads, railways, airlines, energy production, communication systems and the flow of money. (This list, far from exhaustive, should alert us to the extent to which the neoliberal agenda has already succeeded.)

The assumption is that if free enterprise is allowed to make its way into every corner of human existence, the results will be better overall for everyone, even for those who are temporarily disadvantaged, let’s say by being deprived of their fish.

The objection (which I am reporting, not making) is that in the passage from a state in which actions are guided by an overarching notion of the public good to a state in which individual entrepreneurs “freely” pursue their private goods, values like morality, justice, fairness, empathy, nobility and love are either abandoned or redefined in market terms.

Short-term transactions-for-profit replace long-term planning designed to produce a more just and equitable society. Everyone is always running around doing and acquiring things, but the things done and acquired provide only momentary and empty pleasures (shopping, trophy houses, designer clothing and jewelry), which in the end amount to nothing. Neoliberalism, David Harvey explains, delivers a “world of pseudo-satisfactions that is superficially exciting but hollow at its core.” (“A Brief History of Neoliberalism.”)

Harvey and the other critics of neoliberalism explain that once neoliberal goals and priorities become embedded in a culture’s way of thinking, institutions that don’t regard themselves as neoliberal will nevertheless engage in practices that mime and extend neoliberal principles — privatization, untrammelled competition, the retreat from social

engineering, the proliferation of markets. These are exactly the principles and practices these critics find in the 21st century university, where (according to Henry Giroux) the “historical legacy” of the university conceived “as a crucial public sphere” has given way to a university “that now narrates itself in terms that are more instrumental, commercial and practical.” (“Academic Unfreedom in America,” in *Works and Days*.)

This new narrative has been produced (and necessitated) by the withdrawal of the state from the funding of its so-called public universities. If the percentage of a state’s contribution to a college’s operating expenses falls from 80 to 10 and less (this has been the relentless trajectory of the past 40 years) and if, at the same time, demand for the “product” of higher education rises and the cost of delivering that product (the cost of supplies, personnel, information systems, maintenance, construction, insurance, security) skyrockets, a huge gap opens up that will have to be filled somehow.

Faced with this situation universities have responded by (1) raising tuition, in effect passing the burden of costs to the students who now become consumers and debt-holders rather than beneficiaries of enlightenment (2) entering into research partnerships with industry and thus courting the danger of turning the pursuit of truth into the pursuit of profits and (3) hiring a larger and larger number of short-term, part-time adjuncts who as members of a transient and disposable workforce are in no position to challenge the university’s practices or agitate for an academy more committed to the realization of democratic rather than monetary goals. In short, universities have embraced neoliberalism.

Meanwhile, even those few faculty members with security of employment do their bit for neoliberalism when they retire to their professional enclaves and churn out reams of scholarship (their equivalent of capital) that is increasingly specialized and without a clear connection to the public interest: “[F]aculty have progressively . . . favored professionalism over social responsibility and have . . . refused to take positions on controversial issues”; as a result they have “become disconnected from political agency and thereby incapable of taking a political stand” (McClennen, *Works and Days*).

Of course that’s what I urge — not an inability to take political stands, but a refraining from doing so in the name of academic responsibility — and it now becomes clear (even to me) why McClennen would see in what I write an implicit support for the neoliberalization of academic life.

When I say to my fellow academics “aim low” and stick to your academic knitting or counsel do your job and don’t try to do someone else’s or warn against the presumption of trying to fashion a democratic citizenry or save the world, I am encouraging (or so McClennen says) a hunkering down in the private spaces of an academic workplace detached from the world’s problems.

And when I define academic freedom as the freedom to do the academic job, not the freedom to expand it to the point where its goals are infinite, my stance “forecloses the possibility of civic engagement and democratic action.” (McClennen)

That's not quite right. I don't foreclose the possibility; I just want to locate it outside the university and the classroom. But for McClennen, Giroux, Harvey and many others, this is a distinction without a difference, for the result of what I advocate would still be faculty members who are "models of moral indifference and civic spectatorship," at least when they're being faculty members. (Henry Giroux and Susan Searls Giroux, "Take Back Higher Education.")

By defining academic freedom narrowly, as a concept tied to a guild and responsive only to its interests, I am said to ignore the responsibility academics have to freedom everywhere, not only in the classroom or in the research library but in the society at large and indeed in the entire world. In the view of the critics of the neoliberal university, a limiting definition of academic freedom forfeits the good that academics, highly trained and articulate as they are, might do if they took a stand against injustice and unfreedom wherever they are found.

That line of reasoning leads directly to the academic left's support for the boycott of Israeli academics, an issue I shall take up in my next column.