

INTRODUCTION

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...if we create market universities run purely on market principles they may be of their age, but they will not be able to transcend it.

Federico Mayor, UNESCO Director-General,
Times Higher Education Supplement, 3 October
1997, p. 12

In *The University in Ruins* (1996) Bill Readings finds that the founding discourses of the modern University are the Kantian idea of reason and the Humboldtian idea of national culture. For Kant, reason, with philosophy as its home, provided an organising principle of the academic disciplines and conferred universality upon the institution. Humboldt replaced reason with the unity of knowledge and culture, assigning to the University the task of producing and inculcating national self-knowledge. To these we might add Newman's Idea of a University which is founded not in philosophy but in literature.

Universities have been concerned principally with two main functions in relation to knowledge: research, or its production; and teaching, or its dissemination and acquisition. This inner-referenced notion of knowledge has not always sat comfortably with the function of professional training, and Newman's distinctive contribution was to reconcile the two by arguing for a non-utilitarian notion of teaching as personal formation, and for a vision of the University as a place apart from the day-to-day turmoils of life, which influenced universities in the British tradition, underpinning a high degree of formal autonomy. Arguably, though, it was Humboldt's conception that most shaped the evolution of the modern research university at the service of scientific progress and economic prosperity.

The thread that has held these Ideas of the University together is the role of the University as the central knowledge institutions of the modern state. If this role is implied in Humboldt and the University of Berlin founded in 1810, and made more explicit in the German research university at the end of the nineteenth century and in another sense in the American doctoral university between the two world wars (though there the objective was society rather than the state), it has its fullest flowering in the national system building period between the 1950s and 1970s. In the 'human capital' era governments all over the world, urged on by UNESCO and the OECD, invested substantial resources in bricks and mortar and in the scholarly training of two generations of academics. In the modern Idea of the University knowledge has been seen not only as an end in itself, but as an essential and defining element of the Western tradition, closely tied to scientific and material progress, cultural preservation, and the nature of both democracy and market. Especially after Kant, the knowledge functions of the University have also carried a critical function, together with certain privileges and responsibilities. Accordingly the modern University has served as the conscience and critic of society (a role that in New Zealand has been formally enshrined in government legislation). The critical function has been protected from political interference and the vagaries of the market through the historical development of the notion of autonomy and academic freedom.

This is the essence of the Idea of the liberal University. In an important sense, the liberal University epitomises the idea of a *public* institution designed to serve the needs of modern society, where society was shaped within national geography and juridical authority. Here the University is the exemplar of a public discursive space where knowledge can be pursued in disinterested and scholarly fashion, and ideas can be exchanged freely on the basis of academic interests. The University is positioned as the heart of that condition of reflexive self-change, grounded in a continuing process of criticism and reconstruction, that is the essence of modernity – though it must be said that the critical role of the University has not always sat comfortably with the instrumental interests of the state and the property-owning *bourgeoisie*, or with a certain conservatism inherent in Newman's tradition and also in the protection of professional academic interests.

Readings argues that with the advent of globalisation and the consequent relativisation of the nation state as the principle of economic and cultural organisation, both the Kantian and the Humboldtian conceptions have become problematic. Under the combined pressures of globalisation, managerialism and marketisation the founding discourses of the modern University have been permanently fractured. Universities are now merely one bureaucratic sub-system among others in a commodified and Americanised world. Increasingly, the production and utilisation of knowledge is located directly within industry as part of itself. Increasingly, reflexive self-transformation has been displaced from privileged national cultural spaces such as universities, into the endless permutations of commodity cultures. Universities remain the location of concentrated intellectual resources and personal formation, but their role has become that of sourcing saleable product (data, techniques, ideas, people) that generates wealth elsewhere. Universities are no longer an end in themselves, but one of a number of agents of international economic competitiveness. Readings suggests that in the age of global capitalism, universities have been reduced to a technical idea of performance in the discourse of 'excellence', and that this has now become the dominant Idea of the University. The University based on Kant, Humboldt or Newman has become ahistorical. The crisis of the modern University is addressed also in Jean-Francois Lyotard's famous essay on *The postmodern condition* (1984) and has been explored by Jacques Derrida (1983), Jurgen Habermas (1987) among others.

When the overriding objective becomes that of excellent performance ('quality') the University begins to lose its disciplinary specificities and its soul. As Readings argues convincingly, 'excellence' has no real referent, As an integrating principle it is meaningless. In turn this opens the University to externalised definitions – and contests – in relation to the purposes of the institution. In an era in which the emerging global forms are dominated by neo-liberalism, increasingly it is the business bottom line that comes to define the purposes of the University, whether through the direct contribution of the University to business profit-making, through its performance in the pseudo-market games imagined by neo-liberal governments, or through its own economic forms, signals and behaviours. The rupture of the founding discourses of the modern University has given way not to post-modern plurality amid the end of all universal discourse, but to the one over-riding universal discourse that a global market permits, that of capitalist economics. Humboldt's University whose horizon is that of national culture, and Newman's University whose horizon is itself, gives way to a University whose horizon – like that of neo-liberal government – is that of the world market. In this setting the market is always-already present. Its limits have become invisible. It has been placed beyond scrutiny or criticism.

The crisis of the Idea of the modern University has been brought about by changes in the economic and cultural nature of global capitalism and by the attempts of national governments to adjust national economies, government itself, and traditional institutions of the modern nation such as universities, to the changing conditions. The new global economy is more than the universalisation of capitalism after the collapse of its 'other' in the form of global communism. It is also constituted by a series of agreements concerning the partial liberalisation of world trade, by the rise of a single world financial system with networked transactions taking place simultaneously around the world, and most of all by the rise of new information and communications technologies with their capacity to join every national site and cultural form into a universal system of symbolic exchange. Politically, contemporary globalisation has been constituted by the neo-liberal policy agenda in which the primary objective is the free movement of global capital into all parts of the world and into new industries 'freed up' by the partial dismantling of the nation-state: the floating of exchange rates, the abolition of subsidies and tariffs protecting national industries an open door to foreign investment, tax reforms favouring corporations and the wealthy, the privatisation of state assets, and the downsizing and commercialisation of local public sectors.

It must be emphasised that the neo-liberal agenda is only one possible form of globalisation: arguably Readings is too pessimistic, too quick to conclude that globalisation must *inevitably* mean hyper-capitalism and Americanisation. World wide communications networks and the explosion in electronic cultural forms; and the more extensive, intensive and complex interactions between people that are now taking place, offer exciting potentials (especially for universities, which have always been partly international) that are not bound forever to the limits of market transactions and the dictates of profit. Already contemporary globalisation is calling up richer encounters with difference, along with tendencies to convergence and sameness, a duality remarked upon in the literature (for example Harvey, 1990; Keyman, 1997). The emergence of 'difference' within the nation and on an international scale again fractures the unity of knowledge embodied in the Kantian and Humboldtian University, yet it also serves to foster the critical function and the pursuit of cultural purposes, rather than economic purposes, as ends in themselves. It serves as a potential starting point for the regeneration of the University as an institution, albeit on a global as well as national/ local plane. In other words, the tendencies to the globalisation of communications, culture and education do not necessarily imply the extinction of all indigenous and national cultural forms.

Indeed, the pervasive Americanism of contemporary globalisation serves to emphasise that some national traditions remain very salient: especially when they become embodied in powerful economic, political, military and cultural agencies with world-wide reach. The modern University is increasingly affected by American models, even though the evolution of the US University is in many respects atypical of its development elsewhere in the Western world. By the same token, some national traditions are more fragile than others. Institutions on the periphery of the American world, such as those of Australia and New Zealand – and Canada, Mexico, Argentina, Chile and other countries in Latin America – appear particularly vulnerable to the crisis of the modern University, as several of the contributors to this book suggest.

It is not that national governments and global companies no longer regard education and research as important. The contrary is the case. The new global economy is permeated by the strategic role of knowledge and the continuing reflexivities of training, albeit narrowed to fit the requirements of business. In global policy circles both the World Bank (which is

unequivocally Anglo-American neo-liberal in temper) and the OECD (which leavens this with European social liberalism) emphasise the significance of education and training for the development of 'human resources', for the upskilling and broadening the competencies of workers, for generalising new technologies, and for the production of scientific knowledge as keys to effective participation in the new global economy. Among the leading theorists of strategic management, Peter Drucker (1993) and Michael Porter (1990) emphasise the economics and productivity of knowledge and skill as *the* basis for national competitiveness within international markets. Lester Thurow argues that one of the five 'economic tectonic plates' which constitute the new rules of the global economic game is 'a technological shift to an era dominated by man-made brainpower industries'.

Today knowledge and skills now stand as the only source of comparative advantage. They have become the key ingredient in the late twentieth century's location of economic activity (Thurow, 1996: 68).

One might add that the strategic power of knowledge is all the greater when it is allied to a critical mass of economic capital, and to prior economic and cultural leadership of the American kind. Nevertheless, the point is that everywhere in the world, universities have become thoroughly implicated in the world capitalist economy in a direct sense. The external forces shaping them are no longer reducible to national government, though government remains an important player. The new centrality of higher education is being driven by bio-medical companies in partnership with university laboratories, computing companies using the universities as sources of software, finance companies whose senior executives are trained at one of the globally-aligned university business schools, and so on. Sheila and Slaughter and Larry Leslie's *Academic capitalism: politics, policies and the entrepreneurial university* (1997) provides an account of the implications for the University. The new centrality of higher education is also driven by labour market competitiveness and the spread of higher-order technological literacy, which drive a rising educational threshold for employment and fuels the ever-increasing popular demand for access to education, despite the growing user costs. Thus the postwar phenomenon of the 'massification' of the University continues, and becomes joined with government policies designed to open up 'lifelong learning' and blur the traditional boundaries between research Universities and other forms of post-school education in the creation of a single tertiary market.

In the context, the growth in participation becomes readily associated with demands for the utility of degrees, and for focus on teaching to the exclusion of research, further problematising the University of Kant, Humboldt and Newman. Far from re-strengthening the modern University as an independent institution, its new centrality contributes to the multiplication of external demands from all quarters, and to the zeal of governments which present themselves as the agents of its externalisation. One of the most effective means of achieving this is to reduce the support provided by government grants, driving the University into the role of client and supplicant towards donors and industry alike, and into hitherto unpalatable levels of fees for students explained away by consumerist rhetoric. The University, like the nation-state, has become permeable, criss-crossed by external relations at many points. In this context a more corporate style of University leadership can be read as a form of protection, as a means of managing external pressures in such a way as to sustain a continuing institutional identity. But the price is often the transfer of the marketising impulse into the internal workings of the University itself (Marginson and Considine, 2000).

The outcome is that external pressures and forces, both modified and reinforced by institutional manager-leaders, have seriously impinged upon the structural protections and traditional freedoms of the University. Reform of the University has become a perpetual neo-liberal watchword, with the emphasis falling upon two main issues: the resourcing of research and teaching – government demands both the further expansion of the system and a reduction in unit costs – and changes in governance and enhanced accountability. Both New Zealand and Australia have seen strong moves to change both the size and composition of governing bodies, from fully representative ‘stake-holder’ or democratic models to the notion of boards of directors, modeled on the private corporation. Enhanced accountability arrangements, facilitated by the techniques of data flow and standardised surveillance and reporting made possible by new technologies, have followed the principles of the New Public Management, designed not only for allocative and productive efficiency but to create market-style entrepreneurial and competitive incentives, and ease the transfer of a growing part of costs from government to consumers and institutional workers. It is no coincidence that at this time governments in the United Kingdom, Australia and New Zealand have commissioned major reports on the future of the University in the era of globalisation: the Dearing Report (1997) in the UK, the most substantial and also most socially liberal of the three; the West Review (1997 and 1998) in Australia, and the New Zealand Tertiary Review. Yet though these reports have been used to advance elements of the neo-liberal reform agenda, they are unable to surmount the crisis in which the University finds itself – for they cannot examine the University from outside the terms and conditions of the global market.

This collection explores the crisis of the modern University and the potential for different University futures. It does so from a number of vantage points and the contributors are sometimes directly at odds with each other: a display which is encouraging in itself, for it asserts the continued role of criticism and debate despite the pressures of the times. Examining the different contributions in the book, the relevance of Readings’ argument about the modern university is striking. While none of the authors advance Newman’s vision of the University – despite lingering sympathies in some quarters of the academy – most of the papers are preoccupied in one way or another by the constructions of Kant and Humboldt and by the technocratic vision of excellence. Arguably, the cornerstone of Jane Kelsey’s argument is the reassertion of a Humboldtian national university that is committed to critical social reconstruction, while also internationally aware and able to embrace a post-Humboldtian plurality of national identities. Hirini Mead’s article on the emergence of Wananga (Maori-specific institutions) in New Zealand reminds us of what plurality of identity can mean in tertiary education. Ruth Butterworth is sympathetic to Kelsey’s vision and like Kelsey she sharply criticises the neo-liberal blueprint in government and education.

In contrast, Roger Kerr provides a frank commitment to the technocratic vision of excellence and the neo-liberal ideal. Much of the debate between Kelsey and Kerr is centred on Kant’s question of the critical function of the modern University. To Kelsey the function of social critic is absolutely central to the *raison d’être* of the University. Kerr argues explicitly for a more bounded notion of academic freedom in which the public contribution of academics is limited to their individual spheres of technical excellence, and notions of a general role in social criticism and reconstruction are abandoned. He notes that within the corporate peak organisation in which he works he is free to say whatever he wishes. This serves to underline Readings’ point, for the counter-argument is that the price of Kerr’s brand of academic freedom is to accept the world market as the decisive horizon of thought. Richard Epstein has also come to terms with the prevailing regime of excellence, but his objective is not defined so much by economic competitiveness as an end in itself, as by the continued

survival and prosperity of the University as an institution. In the process he provides the leader-manager with much advice on navigating the times, though it is advice rather more applicable to American universities than to their more embattled antipodean counterparts, which cannot call on the same levels of corporate and donor wealth.

Jonathon Blakeman and Jonathon Boston’s contribution is unique in that they bring a rigorous empirical approach to bear on the question of university autonomy in relation to government, which other authors canvass in philosophical and political terms. The contributions by Simon Marginson and Michael Peters begin to explore a terrain beyond that of the modern University, whether animated by Kant, Humboldt or the infinite strivings for total quality and market leadership. Understanding the nation and all other forms of identity as constructed, they point the University towards the further exploration of difference and alternative globalisations. Marginson sits midway between Kelsey and Peters, pinning his strategy on the regeneration of local/national identity within the framework of global relations, a project that depends as much on the national politics located on the periphery of the Anglo-American zone as on the University itself. Peters is more universal in cast, and focuses on University more than governmental strategy, while at the same time exploring the notion of a University in which ‘acceptance of the other’ has a central place in the democratic mission. It may be that it is out of the further development of this notion, and the active reconciliation of the global and national/local strands, that the Kantian and Humboldtian projects can be reworked and regenerated in a post-modern era.

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