

Universities, the Market and the State: Knowledge in the modern and postmodern universities

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Abstract

The determinants of the knowledge generated and taught by universities should be a matter for debate and contest, and no more so than in the present context of the marketisation of higher education and variable student fees. These are key times in the history of universities for the knowledge they produce and society they serve. Mass higher education has seen changes in the role of universities in their relationship between government and society. This paper explores the traditional relationship between the state and university knowledge by examining the university's medieval origins, in modernism and the effects of the postmodern market context. It argues that the financial discourse around university fees and government commitment to neo-liberal economic theory is marginalising the debate which should be held about the nature of university knowledge and the effects of the free market upon higher education.

Key words higher education policy; of universities; university knowledge; tuition fees

Pre-modern origins of the university

The term 'university' derives from the Latin *universitas*, meaning 'a community' and the notion of a universal kinship of scholars underlay the original concept of higher education. Haddad (2000) explains that the medieval European universities which began in Paris and Bologna in the thirteenth century were internationally linked, borderless institutions sharing knowledge across Europe. This was made possible by two characteristics of the time: the relative weakness of national frontiers allowed academics to interact freely across geographical areas and the use of Latin as a *lingua franca* enabled their communication. There appears to have been a form of cross-European quality assurance in the recognition of diplomas between institutions. The third factor enabling unity of scholarship across the medieval universities was a singular commitment to the theological teachings of the Roman Catholic Church.

MacCulloch (2004: 12) shows how the medieval university derived from 'the burgeoning industry of intercession': chantry foundations... could employ a staff of priests, who needed an elaborate permanent organisation, and so formed an endowed association – in Latin, *collegium*.

A function of the university was also to explain the miracle of the corporeal presence of Christ in the bread and wine of the Eucharist. MacCulloch explains the twelfth and thirteenth centuries concept of university knowledge adapted from Aristotle: The formal university method of academic investigation, by a logical system of questioning and listing data from the authorities, was called scholasticism, as universities were *scholae* (p.25).

The Reformation began to free the universities from the Church to allow tutors to be recruited from civil society; less doctrinal teaching allowed the fermentation of new ideas and the development of knowledge. This was driven by the innovation of the printing press, the proliferation of texts and the development of Humanism and the emergence of the notion of what now would be known as 'critique': to analyse texts and question their assumptions. It is significant in the later development of university knowledge and of the theory underpinning Education Studies (Ward, 2006). The source of these ideas was the re-discovered classical literature of Greece and Rome. However, as well as a change of curriculum in the universities, the Renaissance also brought the formation of nation states, border controls and the use of national languages in education. Universities then lost their universal, borderless quality and became a function of national systems. Van der Wende and Huisman (2004:9) point out that 'the modern university is a national institution' and that attempts to develop a common university curriculum across Europe have been frustrated by government resistance and closed national systems. It is perhaps ironical that the European Union now struggles to reinstate the convergence in higher education which existed in the thirteenth century.

The higher education system looks back fondly on the medieval university, preserving its vestiges of male dominance, masters, hoods, gowns and degrees with honours. It would be a mistake, though, to see the medieval university as a golden age of academic freedom in higher education. While the academic elite was free to engage as a scholarly community, the knowledge they were allowed to share was largely determined by the Roman Catholic Church. The control of the Church over university knowledge remained powerful, even throughout the Renaissance. Universities developed the idea of 'nation' through scholarship, defining the culture of their area of origin, but there was no original research, and privileges were guaranteed only so long as the tenets of the Church remained unquestioned.

In 1633 the universities were still supporting the Church in Galileo's trial for heresy, with the sentence against him read publicly in every university. The university was restricted to preserving and deepening the officially recognised knowledge of the Church: revealed, rather than verifiable, knowledge. The Reformation brought changes with the foundation of the University of Wittenberg in 1502 without the permission of the Church and with its Theology lecturer, Martin Luther. The university advertised itself as a Humanist institution.

The modern university

The modern university began with neither the Renaissance nor the Reformation, but with the Enlightenment and the industrial revolution. Whereas the Church was

never seeking new knowledge, but only the reinforcement of the traditional, the entrepreneurial society of the late eighteenth and early nineteenth centuries turned to the university for scientific knowledge and a trained professional elite. Medieval England saw non-ecclesiastical professional training for the law and at the Inns of Court and medical training at St Bartholemew's Hospital from 1123. However, it is the Humboldt University of Berlin in 1809 which introduced research and innovation: 'The university became a privileged place where the future of society is forged through research' (Haddad, 2000:32). Readings (1996) argues that Berlin was the first university to provide the highly educated professionals required by industry and civil administration in exchange for freedom from the state and autonomy in the knowledge it produces, although the current concept of the teacher-researcher appeared only at the end of the nineteenth century. Here the concept of knowledge as 'critique' originated by the humanists is developed.

The concept of the modern university is a product of the Enlightenment and its philosophy derives from nineteenth century German idealism, notably the work of Immanuel Kant. For Kant (1992) the basis of the university is reason, in contrast to superstition and tradition: '... a perpetual conflict between established tradition and rational enquiry':

what distinguishes the modern university is a unifying principle that is immanent to the university. Kant ushers in the modernity of the university by naming this principle 'reason'.... And reason has its own discipline, that of philosophy, the lower faculty (Readings, 1996:56)

In contrast, the higher faculties of theology, law and medicine draw from the 'unquestionable authority' of the Bible, law on the civil code and the decrees of the medical profession, "The authority of the lower faculty is... autonomous in that philosophy depends on nothing outside itself; it legitimates itself by reason alone, by its own practice" (p.56).

The higher faculties draw upon external authority and promulgate

"the blind acceptance of tradition, which seeks to control the people not by making them use reason but by making them accept established authority. They do not educate the people in reason but offer them magical solutions. Philosophy, on the other hand, replaces the practical savoir-faire of these magicians with reason, which refuses all shortcuts" (p.57).

The 'conflict of the faculties' reflects the tension between superstition and reason. Kant does not see the university as divorced from culture and society, but he strikes a balance between the autonomy of reason and the power of the state: In the event that philosophy means science does recognise an external authority, such as the state, it preserves this autonomy in that it does so only by virtue of a free judgement *of its own* based on reason (p.56).

But Kant also argues that the role of the university is to produce technicians for the state – ‘men of affairs’. However, “.... one of the functions of the University is to intervene at all times to remind these men of affairs that they must submit their use of knowledge in the service of the state and to the control of the faculties, ultimately to the faculty of philosophy” (p.58).

The problem for the modern university was to unify reason and state, knowledge and power. The difficulty lies in the notion of institutionalising reason which then becomes its own self-referential authority. The problem is resolved through self-critique and rational reflection. Schiller (1992) criticised Kant for his antinomy of reason and nature, which leaves the subject no choice: ‘to arrive at reason is to destroy nature, to reach maturity is to forget childhood absolutely’. The problem, as Schiller describes it, is to get from “the state of nature” to “the state of reason” without destroying nature in the process. And Schiller proposes culture as the means to achieve this: ‘Art stands... between the purely passive determination of reason by nature (man as beast) and the utterly active determination of nature by reason (man as machine)’ (Readings, 1996:63). And in replacing belief by reason and the church by the state, an intermediate institution is required to embody the culture which prepares the natural character of mankind for the state of reason: the university.

Humboldt (cited in Readings, 1996) employed Kant’s notion of creating and sustaining a national culture through reasoned critique in his model of the University of Berlin. The German university of the nineteenth century succeeded in uniting reason and culture in the relationship to the state. The university is organised: according to the rule of speculative philosophy, which both reflects upon positive knowledges so as to find their origins and telos, and seeks to provide the metadiscourse that legitimates and organises all knowledge (Readings, 1996:66).

Humboldt argued ‘the state protects the actions of the university; the university safeguards the thoughts of the state. And each strives to realise the idea of a national culture’ (Readings, 1996:69). The modern university, then, is a means of the realisation of state nationalism, culture and identity. Humboldt’s genius was to create a system in which the state finances the university, but allows it autonomy and ensures academic freedom for its teachers. The Humboldt University of Berlin has been the pattern for European universities in the nineteenth and twentieth centuries.

Neave (2000a) notes that, following the Kant-Humboldt model, the traditional role of the university has been the transmission of fundamental knowledge and the socialisation of those later to hold elite positions in society. He identifies three factors which interplay to form the minimum requirement for the university to fulfil its responsibility to society: government influence; university autonomy and academic freedom. In order to serve society, the university must be controlled neither by society nor by government. Neave also shows that the university contributes to a definition of the nation state itself in the form of the transmission of national culture and particular knowledge traditions. It also prepares for citizenship and the highest administrative responsibilities. Neave makes an important

distinction between 'university autonomy', the freedom of the institution, and 'academic freedom', the freedom individual academics within the institution. The case for independent governance is somewhat paradoxical in that, to serve society best, the university must be seen to be free of it, or, at least, free of government controls. Neave (2000b) explains this with the joint notions of responsibility and power. Academic freedom and university autonomy have been seen not just as privileges, but vesting universities with the responsibility for protecting truth. Freedom and autonomy are

“the fundamental moral and professional ethic which underpins what once was termed the “search after truth” which today is seen as “the advancement of fundamental knowledge”. It is on the ability to efficiently advance knowledge that the competitiveness of the Nation within a global “knowledge society” is secured and anchored (p xv).

Neave (2000a) describes two contrasting models of independent governance which have existed in Europe and the USA and which are defined by differing visions of 'community'. The first, the Napoleonic model, is the university of the 'national community' where there is a unitary concept of the nation state which the university serves. The local community is not served by the university; instead it is an institution of the state created by laws, circulars and decrees which define it as a national entity. Members of the academic staff enjoy the status of public servants with secure employment conditions, and there is a direct chain of command between the government ministry and the university. Here the government apparatus and the contract between the government and the university protect the latter from the invasion of private or sectional influence.

The second model based on a vision of the local community characterises the higher education systems of the UK and the USA. Rather than an optimistic view of the nation state as 'the quintessence of national values' (Neave, 2000a:9), the state is seen as a necessary evil which should not control academic life and a distance is drawn between them. Independence comes not from the Napoleonic model of close and formal legal control, but in an acknowledgement of the status of the university as a self-standing, property-owning corporation. The university enjoys self-governance in provision of services, admissions and personnel. The civic universities established in England during the early twentieth century, typically Manchester, Birmingham, Bristol, Sheffield and Leeds, are examples of universities whose mission was to serve the locality. There is also a level of private investment and interest in the universities, particularly in the US. In Britain those universities are governed by a senate or convocation and in the USA by a board of trustees. Neave suggests that, whereas in the European model the direction of governance was to protect the university from the influence of private and sectional interest, in the UK/US model, the university was protected from the intervention of the state.

The historical origins of different models of university autonomy are explained by Neave (1988). He begins with a differentiated perspective in medieval Europe: the Bologna model was based on freedom of the individual to learn, whereas the Paris model 'viewed autonomy as the freedom to teach'. This is significant in the light of

developments today in that, while Paris gave the freedom and control to academe, Bologna made academe the employee of the students, closer to the free-market context of today. Medieval university autonomy, then, was derived largely from guilds or corporations and their need to be protected and to have their freedom to interpret the scriptures. So autonomy 'owed much to the conflict between princes and prelates' (p. 34). By mid-eighteenth century, Neave says, this pattern of organisation had become inward-looking and 'devoted largely to the perpetuation of established orthodoxies' (p.34). Reform came from outside the universities with two Enlightenment methods of modernisation linking the university to the state. The Humboldt and Napoleonic versions each saw the university as an instrument in the modernisation of the state, but in different mutual relationships. As noted above, Humboldt's model is based on Kant's differentiation of university knowledge into that which should legitimately be controlled by the state – law, theology and medicine – and that which should not be controlled, principally philosophy. Philosophy should remain free from state intervention because it was concerned with scholarship and truth rather than with the administration of public order and because it should be used to judge the other faculties. Kant further argued that 'Man is by nature free and under no constraint save that involved in the pursuit of truth (p. 34). Humboldt's model of autonomy was not, however, exactly that which Kant had proposed. Humboldt's innovation was to put aside the notion of the state being in conflict with the 'inner life' of the academic. He emphasised that statehood depends on a common cultural identity and that the role of the university is to reinforce this through the advancement of culture, reason, learning and teaching: 'In von Humboldt's notion of academic freedom, the state itself served as a 'buffer organ' against outside pressures, not least of which was the utilitarianism associated with the 'rising industrial classes' (Neave, 1988:35)

Instead of Kant's duality of subjects for freedom or control, Humboldt's model for academic freedom was based on a hierarchical differentiation within the university with the greatest freedom for the professor and the least for the student. Autonomy, then, is for the individual, not for the institution, and the 'community of scholars' was not an equal one. This was in contrast to Britain and the United States in which there was 'collegial' autonomy across all grades.

The Humboldt model was employed in universities in Germany, Austria, Denmark and Sweden. France, Italy, Spain and Latin American countries employed the Napoleonic model of autonomy. In the Humboldt model the state provided a legislative framework in which the university advanced culture and learning, which was seen as super-ordinate to the state. In the Napoleonic model the university is clearly subordinate to the state and is deployed to ensure political and physical stability. Both systems were based on nationalism, but Neave explains the subtle difference:

"... in Humboldt's Prussia cultural unity was not coterminous with the state, but went beyond into other German-speaking areas of middle Europe. In France, the revolutionary doctrine of the Republic, one and indivisible, brought both state and nation together by administrative means. Teaching and learning were not

conceived as independent of the state, but rather as expressions of a unity that had already been achieved” (p.36).

This necessarily involved high levels of bureaucratic control, of the kind now being visited on current-day universities in the UK, and it is consistent with current views of the university-state relationship. At the time, however, it was radical, preserved a high level of uniformity in the university sector and was seen as the means of upholding national unity. This looks very little like autonomy and much more like control. However, Neave explains that in this model autonomy was seen as the privilege of service to the state, rather than as through the serving of sectional self-interest. There was also autonomy in the sense that the university could *initiate* novel procedures, but which had to be ultimately sanctioned by government. The Napoleonic model also offered autonomy in the sense that there were areas of study in which the state did not have an interest.

The postmodern university: knowledge, the state and the market

Delanty (2001) argues a new role for the university in the context of cultural and epistemological changes in society with the democratisation of knowledge:

“By democratisation I mean the participation of more and more actors in the social construction of reality. Given that the university is no longer the crucial institution in society for the reproduction of instrumental/technical knowledge and is also no longer the codifier of a now fragmented national culture, it can ally itself to civil society” (p.6).

Delanty goes on to cite Bourdieu’s (1988) critiques of Habermas’s (1971) and Parsons’s (1974) views of the university. Parsons saw the university as a shared normative system and his theory is that there is a functional link between knowledge and citizenship and for Habermas the university has an emancipatory function in society. Bourdieu, on the other hand, depicts the university as a self-preserving institution: an autonomous site in which different orders of power clash and struggle for self-reproduction. Using Foucault’s (1972) notion of ‘knowledge as power’ in which the academic institution serves the interests of the dominant group, the university reproduces society and legitimates inequalities. For Bourdieu all culture is symbolic violence and is based on ‘misrecognition’ (*meconnaissance*). Education is the means that modern society has devised for the transmission of cultural capital, which are the cognitive structures of the dominant cultural models in society. For Bourdieu culture is a cognitive system which offers groups the means of imposing and maintaining classifications – cultural capital. But beneath the cultural level is economic power. This differs from Parsons’s notion of a shared normative system since culture, in being pervaded by power, is forced to be a site of contestation. Kant’s conflict of the faculties is between knowledge and rationality; for Bourdieu the conflicts are between different sorts of capital: cognitive or cultural. Bourdieu’s (1988) *Homo academicus* is a product of the field of academic power to control and classify knowledge and restrict the academic field.

Academic power is associated with the canonical disciplines of literature, classics and philosophy: a social magistracy. Academic power is a cognitive machine that organises cognitive structures, disciplines and social space, creating symbolic boundaries.

Cowen (1996) continues Readings's analysis of government policy for university knowledge in terms of global economics and market forces:

“.... the governmental critique of the university, in several of the OECD countries, delegitimises the traditional assumptions made by universities about their own excellence, proposes a rebalancing of the relationships between the state, the productive economy and universities and outlines the ways in which the contribution of the universities within this new social contract may be encouraged, even enforced” (p.3).

So the university loses its autonomy from government. The effect is a shift from knowledge as truth to knowledge as 'performativity': that which is seen to be useful in economic terms. It is a part of the dynamic of epistemological change described by Lyotard (1997) as the post-industrial, postmodern collapse of meta-knowledge and the contestation of the nature of knowledge itself.

Cowen explains the change in terms of government claims of economic crisis. He makes strong claims for Lyotard's analysis of the power relationship between the government and the university, suggesting that universities have become part of the training for business in order to cope with the move from material production to the techno-sciences of the global economy:

“The historic claim of universities to have special knowledge, to be creating special knowledge and to be testing truth is undermined. They have no principle for the exclusion of a multiplicity of discourses and they have no epistemological principle for the exclusion of performativity as a definition of their main functions” (p.5).

Cowen makes the point that performativity is both 'an epistemological condition... and an explicit political project' (p.8) and that it is socially constructed. Performativity depends on the government's perception of the role of knowledge in a competitive world and on the political decision that the university is the right location for connecting state, industry and business concerns. Cowen's conclusion is that, through the pursuit of performativity, the university is reduced, or *attenuated*, in a variety of ways: spatially, financially and pedagogically. Above all, because its quality is defined externally through the absorption into national research policies and measured by managers, it has become *quality attenuated*.

Barnett (2000) rejects Cowen's notion of the completely attenuated university. He acknowledges attenuation through performativity in substance in the types of research and teaching which are packaged for consumption. He also agrees with

Cowen that the university is boxed in by management procedures for staff, financial management and the publicising of teaching through peer observation. However, Barnett does not see the university as reduced: it is the 'multiversity' (Kerr, 1972) with multiple roles.

For Barnett there are no limits to the postmodern university:

"The contemporary university is dissolving into the wider world ... The postmodern university is a distributed university ... It is a multinational concern, stretching out to and accommodating its manifold audiences. It lacks specificity; it is a set of possibilities... no longer a site of knowledge, but, rather a site of knowledge possibilities....The university is no longer to be understood in terms of the category of knowledge but rather in terms of shifting and proliferating processes of knowing" (pp 20-1).

Barnett argues that the tension within the university is between those who profess certainty and those who acknowledge uncertainty. The university is becoming a virtual university. There are different positionings within the university along the academic-utility axis. Some situate themselves in the world, others keep to scholarly values. Kant's conflict of the faculties in the postmodern age is relatively restrained. The university simply dissolves: there is no unifying set of ideas and the reason universities need to set out their mission is that they really don't have one.

"The university is epistemologically generous, but its generosity betrays its emptiness. As an institution with rules of its own that governed what it is to know, the university is no more. There being no unifying sense as to what is to count as legitimate inquiry, new forms will increasingly appear and the gaps between them will accentuate over time "(p.94).

Barnett criticises the conversion of university knowledge into performative skills through government evaluation procedures: there are no longer historians, only those who possess a range of transferable skills for society. In Lukaszewicz's (1994) notion of 'the Ignorance Explosion' the proliferation of knowledge is text-based and there is more of it than can be comprehended. Knowledge production is out of step with knowledge comprehension and the relationship between academics and their audience has broken down. So there is a new illiteracy: students are reduced to having data-handling skills, and the human mind is reduced to data-processing skills. Inert knowledge is not knowledge, so the paradox is that knowledge-production creates ignorance. Increase in academic fields also increases illiteracy and produces the need for academic literacy courses. We are ignorant of the world we have created: an unknowable world.

There is, though, optimism in Barnett's possibilities for the future of the university. It may be able to retain some of its modernist role. Surveillance and performativity are 'qualifiers to the general picture of widening opportunities and expansion' (p15). Although industry demands skills, and the university responds to the demands, the wider society longs for knowledge, breadth, critical reason and

freedom: 'society is hesitantly intimating that it needs the universities to live up to their rhetoric of guardians of reason. The university seems intent on constructing itself in narrower frames of self-understanding. A trick is being missed' (p.34). Barnett takes up Readings's (1996) notion of structural collapse and argues that the postmodern university needs to be built on new foundations, not located in the 'techno-bureaucratic concept of excellence' (p5).

However, Green (1997) warns against assuming the end of the nation state in the university picture. He criticises the extremist account of postmodernist education by Aronowitz and Giroux (1991). They argue that the search for a common curriculum is futile and advocate choice and diversity in higher education. As typical postmodernists they portray the breakdown of Keynesian economics with governments no longer able to deliver services and with education fragmented and individualised; university education is out of state control. But Green argues that this is overstated and that governments will still continue to seek national identity through education and, particularly the higher education curriculum.

He goes on to conclude that Postmodernism has little to offer educational theory and criticises free-market notions of education. Successful education systems in Europe and Japan do not have marketisation; it exists in the USA where schooling is poor. Choice in education, he insists, disadvantages the poor and working class. The argument for choice is not that it raises standards, but that it is an inevitable concomitant of the changing cultural configurations of modern societies:

"The postmoderns argue that greater pluralism and 'choice' in education is good because it empowers individuals and subordinated cultures. They also suggest that it is somehow inevitable in the modern world because society and culture itself has become so fragmented. Both of these claims are highly questionable" (p26).

For Readings (1996) the University of 'excellence' is a mere simulacrum of the university in which its president

"is a bureaucratic administrator who moves effortlessly from the lecture hall, to the sports stadium, to the executive lounge. From judge, to synthesiser, to executive and fund raiser, without publicly expressing any opinions or passing any judgements whatsoever" (p.54).

And 'culture' is no longer the watchword of the university:

"The university is no longer Humboldt's, and that means it is no longer *The* university. The Germans not only founded a University and gave it a mission; they also made the University into the decisive instance of intellectual activity. All of this is in the process of changing: intellectual activity and the culture it revived are being replaced by the pursuit of excellence and performance indicators" (p.55).

The 'discourse of decline' is countered by those who see universities as the partners of socio-economic and cultural development. The last decades have seen attempts to link university research and teaching to the world of work with new teaching methods and widening access. Haddad (2000) argues that universities have moved from elitist groups in ivory towers and become closer to society and suggests that they need to go further in developing openness and producing research for peace, human rights and a sustainable future. He points to the mixture of respect and distrust there has always been about universities and suggests that, with the revision of missions, society now has a better idea of university roles and responsibilities.

The expansion of higher education dilutes the original role of the university in that it can now no longer be seen to deal exclusively with an elite, but must engage with a broader range of the population (50% of the 18-30 cohort). Furedi (2004) bemoans the increase in managerialism in universities, but Kearney (2000) argues that this is inevitable with the paradigm shifts in higher education:

"In higher education itself, countries in all regions are facing increased demand, massified enrolments, the urgent need to diversify post-secondary education and training, implications of the "user-pays" philosophy, the impact of technology, and of internationalisation in terms of greater mobility of knowledge and people. More effective governance and greater managerial efficiency are essential factors for these issues to be tackled successfully" (p.135).

The British university and the market

In England and Wales the relationship between the university and the state has been ambiguous. Kogan and Hanney (2000) detail the various forms of scrutiny, influence and direction which have been in place since the nineteenth century. Even before they were publicly funded, the Universities of Oxford and Cambridge were answerable to the Royal Commissions. However, direct control by the state over university knowledge was limited for much of the twentieth century. On a list of criteria for autonomy listed by Frazer (1997) British universities score highly: legal status, academic authority, self-determined mission, governance, financial independence, freedom to employ staff, control of student admissions and freedom to determine the content of courses. This contrasted with the government's relationship to other publicly funded sectors and Kogan and Hanney use the term 'exceptionalism' to characterise the hands-off approach to university administration.

Neave (1986) suggests that the universities of Continental Europe were firmly embedded into national bureaucracies, whereas in Britain 'the status of universities as a property-owning corporation of scholars..... was preserved' (p.109). The liberal argument for the strength of the university is given by John Stuart Mill (1962) who argued that government intervention in universities should

be limited simply to avoid the evil of adding to government power. Mill proposes the notion of a 'facilitatory state which provides resources to universities whose freedom would be enjoyed within an area of negotiation largely controlled by the universities themselves' (Kogan and Hanney, p.30). Ambivalence towards universities is shared by successive governments and is reflected in the actions of the government agencies, the University Grants Commission (UGC) and the National Advisory Body (NAB), which tended to bolster the power of universities. Universities became used to enjoying the benefits of high levels of government funding, together with freedom from state control: the guardians and codifiers of knowledge.

A feature of twentieth century higher education in England and Wales was the so-called 'binary divide' between those universities with a royal charter and polytechnics and colleges whose degrees were awarded by other bodies, including the Council for National Academic Awards (CNAA). Kogan and Hanney (2000) note the duality of the thinking behind this. On the one hand there was a commitment to the virtue of the academic independence of the traditional universities. On the other hand there was the notion that there should be both public accountability and connection with the rest of the education system. Anthony Crosland, Labour Secretary of State for Education in (1965), set up the system in the mid-1960s with the ambition of creating separate but equal branches of higher education to serve different purposes. There would be the twin virtues of academic independence for the existing universities and, for the new polytechnics, local accountability and an emphasis on applied knowledge for industry. The context for the new system was the future expansion of higher education, as recommended by the Robbins Commission (Committee on High Education, 1963). The binary system was to keep some public control over what was to be an expanding system and this was to be achieved through Local Education Authority (LEA) control. There was an uncapped national funding pool upon which the LEAs which could draw and DES Regional Advisory Councils (RAC) were to approve courses and to control quality and student numbers.

Although the binary system permitted some financial independence for the polytechnics and colleges, it saw distinctly different forms of academic control between the two types of institution. The pre-1992 universities with their royal charters were largely self-governing in terms of their curriculum, while knowledge in the polytechnics and colleges was rigorously controlled by the Council for National Academic Awards (CNAA). This was a government-funded organisation which operated to ensure the implementation of strict guidelines for curriculum structure, content and methods. Degree courses to be taught in the polytechnics were to be approved by the Council and were required to meet all its criteria. Although it employed higher education 'peers' to implement its directives, it exercised a high level of control over higher education knowledge with rigorous scrutiny (Silver, 1990). The existence of this body signifies the relationship of the institutions to the state. While the chartered universities enjoyed the Humboldt model with the trust of the state to define and codify knowledge, the polytechnics and colleges were under its watchful eye, with every item of knowledge rigorously audited and approved or rejected.

Crosland's vision of an equal binary system embodied the inherent contradiction in government thinking about universities in Britain in the twentieth century: the tension between academic freedom and government control. Kogan and Hanney emphasise the contradiction of the binary system for higher education with Crosland's education policy for schools which was to move to a unitary system of comprehensive secondary education. There was also discontinuity with the Labour government's policy for the funding of the NHS, for which Aneurin Bevan had rejected local controls.

Freedom from LEA control was granted by Kenneth Baker in 1989 with incorporation of polytechnics as independent financial institutions, but the request for university title as 'Polytechnic Universities' was refused. However, things were to change rapidly in 1991 with the new Secretary of State, Kenneth Clarke who was reported to have said, "Let's take the great plunge and make them all universities, let's get rid of all the arguments" (Kogan and Hannay, p.139). With that the binary system was abolished at a stroke. There was no scrutiny of a civil service analysis of the issue and there was no public formal consultation on, or discussion of, this major policy change.

While this might appear to foreshadow an increase in independence for the higher education institutions, the outcomes were not so simple. The end of the twentieth century brought the New Right in British politics with a different view of the management of public organisations and the professions. These are characterised by New Public Management (NPM) in 'the evaluative state' (Henkel, 1991). NPM is intended on the one hand to devolve power to institutions, but on the other hand to retain central control in order to reduce the power of professional bodies which is depicted as 'professional hegemony'. Thatcher's 1980s reforms were supposedly intended to roll back the state in 'a shift from academic control towards both the market and to the incorporation of universities in the generality of state control' (p.55). Cawson (1982) argues that freedoms were offered to universities only in exchange for working within the state and Kogan and Hanney explain that 'the boundary between what should be funded publicly and what earned privately shifted, so that the acceptable sources of higher education funding became multiple and virtually unbounded' (p.55).

Kogan and Hannay present the abolition of the binary system as a whimsical, cavalier action by Kenneth Clarke in the horse-trading with the polytechnic principles. Readings (1996), however, sees the move as part of a larger process of converting the whole British university system into the 'excellence' model to imitate the United States model of higher education. The conversion of polytechnics into universities, he argues, was not an ideological commitment to expanding higher education as such, but a mechanism to bring all institutions into the same competitive market in which the successful – as measured by the performance indicators – are rewarded by higher grant allocations.

This marks the move towards government control through market forces, or more particularly, the use of government controls to enable a free market: not a

magnanimous egalitarian gesture towards the polytechnics, but an example of pure Thatcherism. Gray (1998) helps to explain this apparent contradiction in Conservative government policy where 'rolling back the state' appears to mean the removal of government controls, but actually involves controls on institutions through nationally prescribed curriculum and criteria. Gray maintains that the strong government intervention is always required to permit a completely free market, pointing out that,

“encumbered markets are the norm in every society, whereas free markets are a product of artifice, design and political coercion. *Laissez-faire* must be centrally planned: regulated markets just happen. The free market is not, as New Right thinkers have imagined or claimed, a gift of social evolution. It is an end-product of social engineering and unyielding political will” (p.17).

The removal of the binary system, then, should be seen as a move to the American free market in higher education and the mixture of freedoms and controls which that has brought. Readings (1996) argues that the very foundations of the traditional western university are crumbling in post-modern chaos. The hollowing out of the nation state through global capitalism and trans-national corporations lead to the ruin of the modernist university, for the primacy of the nation state is in the role of the university:

“The modern university was conceived by Humboldt as one of the primary apparatuses through which this production of national subjects was to take place in modernity, and the decline of the nation-state raises serious questions about the nature of the contemporary function of the university” (p.46)

There is a distinction between American and European universities. The European model of the university is about realising the existing cultural content. For the American university there is no cultural content, but a contract, a promise to deliver on the future. While the European university is a continuation of culture and the nation state, the American university is a private institution working in the public service. There is no cultural content and no nation, only the cash nexus: globalisation American-style and culturally vacuous.

Conclusion: English tuition fees and university knowledge

The Blair government's introduction in 2005 of 'variable' tuition fees with a maximum of £3,000 was intended to take England towards the American model of market-led higher education. Because the demand for higher education was so high, all apart from two charged the maximum fee and so the attempt to introduce market competition failed. At the time there was bitter opposition among Labour MPS to the fees. Blair's attempt to introduce the necessary legislation almost led to his government losing the vote in the house, and could have been treated as a confidence vote. The limit of £3,000 was a symptom of the government's weakness

in not being able to introduce a proper competitive market; as Gray (1998) notes, strong government is needed to establish a market.

The Browne Report (2010) introduced the proposal of unlimited tuition fees, which the Coalition Government tried to take up, although a limit of £9,000 was imposed as a result of the Liberal influence within the coalition, the Liberal Democrat Party having opposed tuition fees in the 2010 General Election. A strong Conservative government would have made no limit on fees in order to engender a fully-fledged competitive market. At the time of writing (March 2010) the Russell Group universities have announced that they will charge the full fee, while others have not announced a fee level. However, it seems likely that most will charge well above the £6,000 minimum and that there will be relatively little difference in fee levels, again frustrating the attempts to introduce a proper market, and the result of weak coalition government.

The Coalition Government, of course, presents the increase in fees as a fiscal measure to reduce the national financial deficit. However, as Steve Smith points out, (Morgan, 2011) the government will save little from the arrangement: it will have to find all the funding for student loans, much of which will never be repaid. Tuition fees should, then, be seen as continuing marketisation, putting the control of higher education into the hands of the student.

The discourse about tuition fees has been exclusively in terms of finance and the controversy about access to higher education for the financially disadvantaged. There is little discussion of how marketisation bears upon university knowledge. What we can see through the increased power of the student voice through the market is a change in the nature of the university curriculum, and in who makes decisions about it. This occurs at two levels: first is the selection of subjects included in the university with the decline of traditional subjects such as philosophy, Kant's basis of the knowledge in the modern university, and the rise of 'popular' subjects: sports science, dance, popular music. The second is the student's choice of modules within a subject where popular, and 'easy', knowledge is selected. Within an Education Studies programme it is difficult to include philosophy modules or modules with a strong sociological content to underpin analysis. Students prefer 'softer' topics such as early years and child development.

Students exercising their choice is, of course, Delanty's (2001) 'democratisation of knowledge'. But it raises the larger question of whether we should be willing to let Humboldt's vision of the relationship between the state, knowledge, culture and the university slip into the hands of a blind market. The commitment of successive British governments to neo-liberal free market economics as a means to managing all public services should be challenged, and universities should be leading on confronting this. While the university operates as a business in a free market with the first priority of attracting fee-paying customers, it is difficult to see that an optimistic future for the university's definition of knowledge. While Kant worried that university knowledge should not be 'for the service of the state', we should now,

surely, be arguing that knowledge should not simply be at the service of the market.

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