The Vandals at the Gates: 
Reshaping the university in an age of austerity

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Trend 1: Rising demand
From tenure to taxicab

- Number of fixed-term positions increasing – up to 80% of the professoriate in Latin America (outside of Brazil) is employed on limited-term contract (”taxicab” profs)
- In the United States, 75% of staff are employed off the tenure track vs. 25% a generation ago
- In China and many parts of Eastern Europe and sub-Saharan Africa, almost all appointments are limited term or casual, with faculty expected to supplement their income with outside contracts
% Share of tenure/tenure track faculty, US

- 1975: 50% Tenure/Tenure Track, 40% Contingent
- 1993: 50% Tenure/Tenure Track, 50% Contingent
- 2011: 40% Tenure/Tenure Track, 60% Contingent
Declining status of academic staff

• Growth in precarious, low-paid work plus stagnating and declining (in real terms) FT academic staff salaries

• In most cases today, faculty don’t earn much more than the average salary in their countries --- and often less than comparable professions
Academic rank salaries as % of operating expenditures (Canada)
Public funding “shift”

- Public core funding not keeping pace with inflation and enrolment increases
- Increase in private fees and debt-financing
- System-wide and institutional funding shifts – “tiering”
Funding vs. Enrolment, United States
From autonomy to accountability

- Erosion of collegial governance (Denmark, Israel, Japan, Quebec, France)
- Faculty control over teaching and research giving way to accountability, assessment, and managerialism
- Ever changing, complex and time-consuming assessments of “academic productivity”
What are the drivers of these trends?

• Current economic and fiscal climate of austerity is a factor....but these trends pre-date the “crisis”

• Broader political & economic context

• Symptoms of a deeper and longer transformation of post-secondary education
  • Marketization, privatization, commercialization of PSE locally, nationally and internationally
Higher education goes to market

• Cross-border education
  – International student recruitment, branch campuses, franchising, joint-ventures, cross border e-learning

• “Trade” in education services
  – “Any other commodity that has become globally traded has improved in quality and decreased in price. Higher education has to figure out how to cut costs.”

• Growth in private, for-profit sector + commercialisation of public systems
Case Study: UK higher ed reforms

DfES publicly planned unit of funding
(real terms 2006-07=100)

- grant + public fee
- grant + public fee + private regulated fee + capital

£ per FTE student

What does it mean?

• The government is effectively withdrawing from funding education directly – vouchers to replace teaching grants

• Fees have risen sharply – maximum fee up from £3000 to £9000 (with a subsidised loan)

• Although the repayment terms are gentler than before, the repayment period – and so the period of indebtedness - is much greater

• And it won’t save money -- because the loans are subsidised, the program is now projected to cost more than what it replaced
The triumph of market ideology

1. Direct government funding for teaching is wrong in principle – “markets” are more efficient at rationing resources
   • Government grants to universities cut from £3.5B to £0.7B

2. Benefits of higher education are essentially private
   • Government will only fund “socially useful” subjects – i.e. those that meet perceived economic and competitiveness needs (STEM)

3. Student “choice” and the resulting competition are to be drivers of funding and therefore greater efficiency

4. Competition is good because the strong will cut costs and prosper and the weak will perish
In short... a higher ed marketplace

• “Putting financial power into the hands of learners makes student choice meaningful.”

• Translation: “Making you pay for something that used to be a right enhances your power.”
Is this a sustainable model

- Protests against reforms
- UK government was forced to back down on some of its privatization plans
- Market failure has already prompted government intervention
Challenges and Questions

• Is the current remaking of Higher Education inevitable? Is it sustainable?
  • Higher tuition fees, higher debt, reduced quality

• How can Higher Education become an answer to the problem, rather than a symptom or driver, of growing inequality and the narrowing of democratic space?